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Bulgaria

Sofia radio reports that the parliament defeated Filip Dmitrov's nomination to be the country's next prime minister. Following the vote, the Bulgarian Socialist Party accepted a constitutional mandate granting it, as the second largest party in parliament, the responsibility to form a new government.

Yugoslavia

Federal—President Dobrica Cosic announced that he will not run for the Serbian presidency in December, TANJUG reports. Citing "personal reasons" for his decision, Cosic said that he found it "irritating" that "some people," who "only now on the eve of elections" demonstrate respect for him, "try to make me take on responsibility for the opposition's possible failure if I fail to head its coalition."

Belgrade television denounced the United Nation's decision to lift sanctions for media equipment imported by independent press and television sources, saying that "one must wonder about the motives, morals, and humaneness of the people who made this decision." The TV commentary added that those who "directly caused war" are now "offering stories saying that Serbs should blame Serbs alone for everything happening to them."

Serbia—TANJUG reports that the ruling Serbian Socialist Party has nominated President Slobodan Milosevic as a candidate for reelection in the December parliamentary and presidential elections.

Romania

In his inauguration speech, which was carried live by Bucharest radio, Prime Minister Nicolae Vacaroiu said that his government will "continue resolutely with the privatization process and the overall consolidation of democracy." Vacaroiu added that he would draw up a "detailed program of policies, solutions, and precise deadlines" for his four-year term "during the next two to three months."

ROMPRES reports that Romania has signed an association agreeement with the EC, becoming the fourth East European country to be afforded such a status.

Berisha Views 'Distorted' Press Statements

AU2011203392 Tirana Radio Tirana Network in Albanian 1700 GMT 20 Nov 92

[Text] Concerning the publication of an article in the Italian newspaper CORRIERE DELA SERA on 16 November by Luigi Ippolito entitled: "The Albanian Leader Berisha Provokes the West" and subtitled "You Should Attack Belgrade," which speaks about the stands presented in Munich during the Franz Joseph Strauss Symposium proceedings, the president's spokesman announces that neither in his speech, nor in the meetings held there, did President Berisha ask, nor is he now asking, nor has he ever thought of bombing Belgrade or any other Serbian center.

In Munich he expressed himself by saying that the sole way to prevent confrontation in the Balkans, whose bells are now tolling in Bosnia, is the rapid reduction of Serbia's military potential, the abolishment of weapons' embargo against Bosnia, the proper solution to the problem of Albanians in Kosovo, and recognition of other human and national rights. President Berisha has always stressed that an eventual intervention should avoid the attack against people and civilian targets. Both the speech and the interview published in CORRIERE DELA SERA prove that the titles used by the reporter are distorted and sensationalist, whereas their republication by ZERI I POPULLIT only serve Milosevic's propagandistic interests.

Albanian-German Joint Venture Inaugurated

AU2011190392 Tirana ATA in English 1104 GMT 20 Nov 92

[Text] Tirana, November 20 (ATA)—A small celebration was held in the hall of Dajti Hotel in Tirana. The powerful firm of the goods transport, one of the most authoritative in Europe and in the world, Kuhne Nagel International, accepts in its ranks its 67th member, a new Albanian Joint Venture Transalbania, created as a partner of this powerful firm of transport in Albania.

The 38 collaborators of Albania will be added to 10,200 collaborators of the firm Kuhne Nagel International in 66 countries of the world. Now Albania has it easier to take the shortest and most efficient road to link with Europe and the world.

We possess neither ships nor aircrafts, but we fulfill and represent the interests of our clients, said Mr. Jurgen Koop, member of the Organizing Board of Kuhner Nagel International, in the inaugural ceremony of this firm.

Now we have made something to bring closer January 1, 1993, when Europe has decided to create the European Internal Market. This joint venture will give a new impulse to transport in Albania. This will also be reflected in the efficiency of all the economic sectors. Albania holds a key position in the transport between the East and the West. Now its doors are open for ever and Transalbania Enterprise, as partner of a great firm, will know how to take advantage of the geographical position of Albania and to make use of the means, experience, and potential of Kuhne Nagel International, to increase the efficiency of the Albanian transport.

In the meantime, Dr. Erich Riedl, secretary of state and chairman of the German-Albanian Joint Economic Commission, says that the values of this enterprise lie in the fact that Durres is the point that links better Europe with Ukraine, Romania, Bulgaria. He assures that now the Albanian-German economic relations will assume fresh development. Commenting on the grave situation of the neighbours and brothers in former Yugoslavia, he hopes that now Albania has a good chance for a new start. He thanked Kuhne Nagel International for the opportunity it has created to the Albanian nationals to be employed in such an enterprise. This confirms the idea that gradually the Albanians who wish to be employed abroad will find good jobs in Albania. Now Albania will have the same serious firms and technology like Europe. Dr. Riedl underlined the idea that the future of a people is in their country and nowhere.

The presence of the Albanian Ministers Ruli and Bitincka in this ceremony and the address of Mr. Bitincka show that a new stage has started in the development of foreign investments in Albania. The new stage, which gives a great impetus to the economic development of Albania, asks for a new mentality instead of the idea created in the Albanian citizens with regard to some firms that have come to Albania in this period of transition which lack seriousness. Many a time such firms have brought harm to the Albanian economy.

Attending the cocktail given on occasion of the inaugural ceremony of this firm were the Minister of Finances Genc Ruli and the Minister of Transports Fatos Bitincka, the Secretary of the German State Riedl, the German ambassador in Albania, Claus Vollers, members of the Organizing Board, and representatives of the Albanian party. The newly created joint venture will create conditions for an efficient transport to the benefit of the Albanian economy.

EC Official Views 'Splendid' Conference Results

AU2011190592 Tirana ATA in English 0945 GMT 20 Nov 92

[Text] Tirana, November 20 (ATA)—According to the statements of Mr. Antonio Camia, chairman of the EC Commission in Albania, and Mr. Llazar Korra, deputy minister of agriculture and food, the conference was a success. The Albanian agriculture will not be abandoned but it will be supported, said Mr. Camia. A more effective aid will be offered in the future. The European Community and the World Bank wish to continue fruitful cooperation. We drew very valuable conclusions from this meeting. Following this conference, we are more aware of the situation in Albania. In my opinion the result of the conference was splendid.

No less than $100 million will be put at the disposal of the Albanian agriculture in 1993 and more significant investments will be made. The World Bank, the European Community, and PHARE Program will draft a program in value of $30 million for the development of agriculture, particularly of new rural economies, and during 1993 the inputs will be supplied with about $21 million. Germany, Italy, and Greece will provide Albania with $20 million to renovate the farm implements, tractors, and PHARE will offer $3.5 million. Some $40 million will be allocated on irrigation system. Out of them $5 million will be offered by the World Bank and the rest by different sources. Different donators will make investments on the livestock and forests, mountainous areas, privatization of food stuff industry, the development of mountainous areas, etc.

Reiterates Agricultural Assistance Support

AU2011190692 Tirana ATA in English 1100 GMT 20 Nov 92

[Text] Tirana, November 20 (ATA)—At the press conference on the occasion of the wounding up of the G-24 meeting, Mr. Camia, chairman of the European Community Commission, reaffirmed that Albanian agriculture will not be abandoned, on the contrary it will be powerfully aided. He highly praised the reports submitted by Ministers Uka and Ruli and the Deputy Minister Korra and said that the conference brought to the fore three priorities: support for the peasants' private farms, the privatization and support for the small and medium farms, and the privatization of the state farms.

The participation in the conference was greater than we expected, said Mr. Camia. There was a professional and constructive debate. One of the aims of this meeting, he said, is to encourage the foreign opinion to contribute to the development of the Albanian agriculture. No less that $100 million will be put at the disposal of Albania for 1993, covering all the branches of agriculture, Mr. Korra said.

He also spoke of the great contribution the representatives of EC and World Bank have rendered to the drafting of the strategy of agricultural development, to the great scope of the problems treated of in the conference, and said that priority will be given to the small farmer who makes up the main productive force. He also said he was sure that cooperation with the EC and World Bank and other organisations and countries will be stronger in the future. Then Mr. Camia and Korra responded to the questions put by the reporters.

Trade, Public Services Undergo Privatization

AU2011190192 Tirana ATA in English 1119 GMT 20 Nov 92

[Text] Tirana, November 20 (ATA)—Privatization in the sectors of trade and public service in Tirana District is in the final stage. The chairman of the branch of the Agency of Privatization in the Municipality of Tirana, Adem Sala, told the ATA reporter:

Some 924 out of 1,109 trade units have been sold so far to private individuals. Better results in this direction are those in the food, industrial, and social trade enterprises of the Regions [Districts] 1, 2, and 3, where privatization of the units is almost over. One hundred and fifty out of 162 trade units in the trade fruit-vegetables enterprises have been privatized. The rest will be soon sold to the private individuals. Privatization is almost completed also in the sector of public services. Some 449 units out of 573 that are altogether have been sold to the private individuals. A qualitatively good service in many units of the Region 1, 2, and 3 has brought about the increase of the number of clients.

With regard to the question on the request presented by Tirana Association for the Return of the Ownerships to the Former Owners, Mr. Lala said that on the basis of the laws into force, these trade and public service units have been sold to the persons working in them. When the parliament will pass other laws on ownership, then we shall act according to these laws.

Joint Italian Commission Holds Talks in Rome

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For reportage on the Italian-Albanian Joint Commission talks held in Rome and attended by Foreign Minister Serreqi, see the Italy & Vatican City section of the 20 November West Europe DAILY REPORT.

Parliament Rejects Dimitrov as Prime Minister

AU2011163892 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 20 Nov 92

[Report by Lili Yancheva]

[Text] A few minutes ago we heard Mr. Kiril Zhelev, chairman of the Election Commission, who announced the commission's decision, according to which no prime minister of the Republic of Bulgaria was elected.

As a matter of fact, the debates on the program submitted by Mr. Filip Dimitrov continued throughout the afternoon, and the same happened as during the morning session. Several criticisms were addressed against the program by the opposition, while on the part of the Union of Democratic Forces [SDS] we heard mostly compliments. The Rights and Freedoms Movement addressed some criticism but also voiced a few positive evaluations.

I just would like to remind you of the words that Mr. Filip Dimitrov pronounced before the beginning of the voting in responding to some of the questions raised in the course of the discussion.

This is a program that is pursuing the government's intention of rescuing Bulgaria from the crisis, he said. The SDS is not pursuing the goal of protecting the government. Only the SDS can protect the path on which we have embarked against all kinds of zigzags and deviations. We declare that we will not serve as a protective screen for dangerous turns for Bulgaria. There is no point in trying to rule the country without a parliamentary majority. We are ready to set up a minority government for Bulgaria's sake, in spite of all risks.

I cite his words although they remain now mere words.

Dimitrov 16 Votes Short

AU2011163992 Sofia BTA in English 1632 GMT 20 Nov 92

[Report by Iva Toncheva]

[Text] Sofia, November 20 (BTA)—This evening the 240-member National Assembly voted down the nomination of Mr. Filip Dimitrov, 37, a lawyer, as prime minister. Of 228 MP's [members of parliament] present 124 voted against and 104 for.

Mr. Dimitrov, leader of the Union of Democratic Forces (SDS), headed the first SDS cabinet (called the cabinet of action) formed in November 1991 after the Bulgarian Socialist, ex-Communist, Party, that ruled the country for 47 years lost last year's general election. Late last month Mr. Dimitrov's cabinet had to resign under strong pressure from the former Communists and the Movement for Rights and Freedoms (DPS) which defends the interests of ethnic Turks in Bulgaria.

Socialists To Form Cabinet

AU2111190792 Sofia Khristo Botev Radio Network in Bulgarian 1830 GMT 21 Nov 92

[Text] On 21 November a closed plenum of the Bulgarian Socialist Party [BSP] Supreme Council, the BSP parliamentary group, and the people's representatives of the BSP coalition partners was held.

The agenda included one item—an analysis of the situation after the failure of the Union of Democratic Forces [SDS] to form a cabinet and the BSP attitude toward the forthcoming receipt of the mandate to form a cabinet.

A decision was adopted which basically states that the BSP will accept the tentative mandate.

One of the basic issues discussed at the plenum was the search for national consensus and the necessity of forming a government with a clear and pragmatic program, political support, public confidence, and which will propose a prime minister with broad authority in society and recognition from the various parliamentary forces.

The government must be able to conduct dialogue and maintain cooperation with various structures of society.

BSP Formulates Strategy

AU2211181492 Sofia BTA in English 1657 GMT 22 Nov 92

[Text] Sofia, November 22 (BTA)—At a joint meeting today the Executive Bureau of the Supreme Council of the Bulgarian Socialist Party (BSP) and the leadership of the Parliamentary BSP worked out the strategy, tactics and technology of consultations to be held after the president gives the BSP a mandate to form a government, national radio reported. The meeting was held 48 hours after parliament defeated Filip Dimitrov's nomination to the premiership by the Union of Democratic Forces. Under the Constitution, the second biggest parliamentary force, the Bulgarian Socialist (ex-Communist) Party, should name a government.

BSP floor leader Nora Ananieva said in the Nedelya 150 radio talk show today that the BSP has formed several cabinet teams. Speaking on radio express yesterday, former Deputy Prime Minister Aleksandur Tomov MP [member of parliament] of the BSP said the BSP may propose to Stoyan Ganev, foreign minister in the outgoing cabinet headed by Filip Dimitrov, to retain his position in a BSP government.

BSP Outlines Priorities

AU2211134492 Sofia BTA in English 2059 GMT 21 Nov 92

[Text] Sofia, November 21 (BTA)—Zhan Videnov, leader of the Bulgarian Socialist Party (BSP), the former Communists, listed the following priorities of the BSP Supreme Council and the Parliamentary Union for

Social Democracy: Overcoming of the crisis in the institutions caused by the failure of the Union of Democratic Forces' government, mitigation of the economic crisis, encouragement for the structural adjustment of the economy as a basis for Bulgaria's future economic growth. The BSP Supreme Council held a closed-door plenum here today. Under the Constitution, the president will give the BSP a mandate to form a government after parliament defeated Filip Dimitrov's nomination to the premiership yesterday.

The BSP should seek national consensus to form a government which can rely on political support and public confidence in its programme, as well as on freedom for its implementation. The prime minister should be a person enjoying high prestige in parliament and as a public figure, Mr. Videnov also said. The prime minister should be given the opportunity to form a competent team which will be able to maintain dialogue with the social structures.

The consultations and the mandate for the formation of a new cabinet cannot be delayed and the BSP Supreme Council should declare today its intention to try to form a government on this basis, Zhan Videnov said.

Today's forum, which adopted a document, was attended by the BSP leadership, the parliamentary BSP, the leaders of the regional branches and representatives of the so-called ideological trends in the BSP.

The Socialists are ready to accept the mandate for the formation of a government envisaged in the constitution. They will take the responsibility and will make an effort to form a programme cabinet of national consensus, the only government which could overcome the cabinet crisis and prevent untimely elections this winter, the document says.

The Socialists will hold talks with the parliamentary and the extraparliamentary political forces, the trade unions, business and other influential public organizations on the programme and time-periods in which it should be implemented, on the choice of prime minister and cabinet ministers.

The Socialists will aim to do the following:

"Keep the civil peace and social stability.

"Provide food, vital medicines, heating and electricity in the winter despite the unpopular measures which may become necessary to take.

"Continue the democratic reforms and speed the economic reform. No retreat will be made. On the contrary, the cabinet will work for a social-oriented market economy, quicker land restitution, social-oriented privatization, solving the problems of state ownership, encouraging private initiative, creating conditions for free cooperation and choice of forms of land cultivation. The BSP will make the difficult transition to a market economy at the lowest possible social price.

"Bring under control crime and corruption.

"Implement a foreign policy aimed at Bulgaria's further integration into the European and the world structures and help settle the Balkan Crisis."

According to the Socialists, the new prime minister should be an independent, competent person, embodying the idea of national consensus, who will unite broad public circles and will get the necessary parliamentary support. The BSP does not rule out the possibility that a representative of another political force with these qualities may be named as prime minister. The BSP urges that the talks on settling the political crisis be held in an atmosphere of dialogue and peace.

In an interview for national radio before the opening of the BSP forum, Aleksandur Tomov ruled out the possibility of restoration of communism by a possible BSP government. A BSP government will aim to carry on with the reforms in a civilized manner, stop the war between the institutions, and restore the dialogue with the trade unions. He said the government will ensure continuity in the negotiations with the creditor banks and in foreign policy, speed privatization, draw up a budget guaranteeing the structural adjustment of the economy, and extend the agreement with the IMF.

Aleksandur Tomov is an MP [member of parliament] of the BSP, member of the social democratic trend in the BSP. He was a deputy prime minister in the coalition government headed by Dimitur Popov, and prime minister of the Socialists' shadow cabinet, formed after the election of the government headed by Filip Dimitrov. He is a possible candidate for the premiership.

Videnov on Cabinet Possibility

AU2311115892 Sofia KONTINENT in Bulgarian 16 Nov 92 p 3

[Interview with Zhan Videnov, chairman of the Bulgarian Socialist Party Supreme Council, by Elena Dyulgerova; place and date not given: "Zhan Videnov Expects an Unfeasible Government Program, But Refrains From Elementary Forecasts"]

[Text] [Dyulgerova] How do you assess the Rights and Freedoms Movement's [DPS] claiming cabinet posts in charge of law enforcement matters?

[Videnov] I am determined that the claims of the DPS should not be illogical and unrealistic. It is not realistic that a minor coalition partner should control all law enforcement ministries. This is not done anywhere in the world. Small coalition partners usually deal with foreign affairs, or with some other issues in accordance with specific interests of their electorate, such as cabinet posts in charge of ecology, social welfare, and so forth.

[Dyulgerova] So what should we suspect behind the claims you call unrealistic?

[Videnov] In my view, we should try to find a formula for resolving the evident conflict that exists between the presidential institution and the government. This applies to law enforcement ministries that are subject to parallel subordination. It would be exaggerated to add a new problem to the relations between the DPS and the Union of Democratic Forces [SDS] on this subject. An unmistakable approach and full understanding of national interests and their parameters are called for.

[Dyulgerova] It is already clear that we should expect a government program? What do you expect from it?

[Videnov] The program is likely to set up criteria according to which government activities will be assessed within a few months. It is likely to settle mutual relations between the SDS and the DPS and will presumably render unnecessary the agreement that was discussed for such a long time without results. Total confusion was deliberately created as regards the actions of the executive power so far. The government functioned on the basis of its election platform, which is preposterous. Some kind of declaration on the government's intentions, typed on 15 different typewriters, was disseminated, which is ridiculous.

However, I am afraid that we can expect to be confronted with an obviously unfeasible program. The prime minister-designate's statement that the major ministries in charge of economic and social matters will remain the same is significant. We should hardly expect any qualitative changes under such circumstances, despite the presence of some DPS representatives. However, let us not be elementary prophets....

[Dyulgerova] Is the Bulgarian Socialist Party [BSP] still thinking of early elections?

[Videnov] I think that today everyone in this country is convinced of the possibility of early elections. This applies even to those who were laughing when a similar development was mentioned in March 1992.

[Dyulgerova] What happens to your party program in such a case?

[Videnov] We are obliged to draft this document—whether it should be an election program, or an opposition program under the form of an alternative to government policy—the future will tell. I, by no means, exclude the possibility of the BSP's being entrusted with the task of forming a government.

[Dyulgerova] The Alliance for Social Democracy [OSD] submitted its own program entitled Alternative - 3 to your Supreme Council as a contribution to your document. Has this document been of any help to you?

[Videnov] It was no great help. The document virtually represents a political concept, a program that analyzes the essence and the detailed processes of social development. As regards the needs that I described, and which could be varied, it would be preferable to draft a pragmatic, classical program on how to rule the country. This is the kind of paper to which we are devoting our efforts. There is no essential difference between the two documents. They are simply of a different kind.

'Certain' Delay of Reform

AU2011185792 Sofia BTA in English 1838 GMT 20 Nov 92

[Text] Sofia, November 20 (BTA)—When the results of the secret ballot were announced in parliament, SDS [Union of Democratic Forces] MP's [members of parliament] faced President Zhelyu Zhelev chanting "BCP" (Bulgarian Communist Party, the Bulgarian Socialist Party's previous name). At the end of August the president harshly criticized the SDS government, accusing it of having declared war on everybody. According to the SDS, this signaled the beginning of the attack which led to the overthrow of Mr. Filip Dimitrov's cabinet.

The negotiations between the leaders of the SDS and the DPS [Rights and Freedoms Movement] on a coalition cabinet continued until late last night. The DPS demanded a revision of the economic legislation, insisted on sharing the leadership of the enforcement ministries, claimed the justice portfolio and opposed the transfer of the intelligence service under government control. The SDS declared it would remain committed to its political line. Yesterday the DPS formally gave up the idea of forming a coalition government with the SDS. Mr. Filip Dimitrov said he was ready to nominate an all-SDS government. Off-the-record information had it that the heads of the key ministries would keep their posts. In the meantime a short-term programme of Mr. Dimitrov's new government was circulated in parliament. Mr. Dimitrov said that if approved, his new cabinet would give priority to the structural reform. An investment programme was also presented. It was clearly declared that the new government would continue to reckon with the conditions set by the international financial institutions, would continue the talks on the settlement of Bulgaria's external debt and would finalize the negotiations on this country's association with the European Community.

Before his defeat in parliament today, Mr. Filip Dimitrov had five-hour-long debates on the proposed programme with the DPS. DPS representatives assessed the programme in positive terms.

Both Mr. Filip Dimitrov and DPS leader Ahmed Dogan yesterday said that whatever the new cabinet, if it was not approved by parliament Bulgaria would be heading for early elections.

Under the Constitution the president should now ask a representative of the second biggest parliamentary force—the Bulgarian Socialist, formerly Communist, Party [BSP], to form a government. If the BSP fails to do so, the DPS will be invited to form a cabinet.

In the last days the BSP leaders announced they were ready to nominate a cabinet. They declared themselves to be for a broad- based coalition government.

Asked if the DPS would support a cabinet formed by the ex- communists, DPS spokesman Yunal Lyutfi said on the national radio that they would wait and see their concept first. However, he stressed that the DPS would not participate in a coalition government with the socialists. If the DPS is asked to form a cabinet, it will invite SDS representatives to participate in it, Mr. Yunal Lyutfi said. Anyway, this does not mean Bulgaria will have a new stable government. There is a faction in the SDS parliamentary group—the so-called B-12, which severely criticized Mr. Filip Dimitrov and the SDS political line. If some representatives of this faction enter a coalition with the DPS and the former Communists, they will cease to be members of the SDS, SDS spokesman Mikhail Nedelchev said in an interview on the national radio.

Bulgaria will not have a government for at least a few weeks. It is difficult to predict what the new cabinet would be and if it would not be a prelude to early elections. However, it is certain that the Bulgarian reform will be delayed.

'Grave Cabinet Crisis' Detailed

AU2011210092 Sofia BTA in English 2040 GMT 20 Nov 92

[Text] Sofia, November 20 (BTA)—Bulgaria is having hard times and facing a grave cabinet crisis, National Assembly Chairman Aleksandur Yordanov said on the national radio, commenting on the defeat of prime minister-designate Filip Dimitrov nominated by the Union of Democratic Forces [SDS]. "Actually as of today the SDS is in opposition because under the Constitution the president should now ask the Socialist Party to form a cabinet. The union will act as an opposition and, logically, will seek to oust the next government," Mr. Yordanov said on leaving parliament.

According to Mr. Filip Dimitrov, the SDS was not unprepared for the outcome of today's vote and had considered the possible variants of its future actions.

The leadership of the parliamentary group of the Socialist, formerly Communist, Party [BSP], gathered for a meeting immediately after the plenary sitting of parliament. Later on a representative of the Socialist MP's [members of parliament] expressed the readiness of the BSP-led parliamentary coalition to form a government which was described as "a programme government of national concord." It was said that the BSP-formed cabinet would be headed by "a respected and competent prime minister" and would have "competent ministers" in it. According to the Socialists, this does not mean theirs would be a kind of a caretaker cabinet of experts. In their statement the Socialists proposed that the president open consultations which would later turn into "broad-based negotiations with all political forces on the possible parameters of the government programme."

MP Chavdar Kyuranov, a representative of the social democratic platform in the BSP, told a BTA reporter that Bulgaria was having hard times and that the BSP should seek to form a government on a broad social basis. He said that the Land Act, as well as the adopted restitution and privatization legislation, should be amended, he added that the BSP had no intention of changing their general spirit, but would only make some reasonable corrections that would ensure social justice during the transition to a market economy.

The Movement for Rights and Freedoms will not enter a government coalition with the BSP, DPS spokesman Yunal Lyutfi told journalists. He specified that the DPS parliamentary group had not considered its future steps in detail, but he did not rule out the possibility of the DPS forming a cabinet if the BSP failed to do so. Asked what support a DPS-formed government could hope for, he said that the movement had only one possibility—to offer "a broad-based coalition government of salvation."

However, DPS leader Ahmed Dogan said that if the DPS was asked to form a government, it might transfer the mandate to the SDS again. We have not considered the possibility of forming a cabinet, Mr. Dogan said after the parliamentary sitting.

Under the Bulgarian Constitution, if three cabinets formed in a row fail to receive the approval of parliament, the president should appoint a caretaker government, dissolve the National Assembly and schedule new elections.

SDS MP and ex-Minister of Defence Dimitur Ludzhev, who has been defending positions that are quite different from those of the SDS of late, did not rule out the possibility of being expelled from the SDS coalition and of forming a separate parliamentary group together with his colleagues who share the same views.

Alternative Solutions Viewed

AU2211185192 Sofia BTA in English 1739 GMT 22 Nov 92

[Commentary by Panayot Denev: "Early Elections Are Problematic Despite Expectations to the Contrary"—BTA headline]

[Text] Sofia, November 22 (BTA)—It is perfectly possible that early elections will not be held in Bulgaria in March 1993 after the Bulgarian Socialist Party (BSP), the former Communists, declared late last night its intention to try to form "a project government of national consensus."

The entire BSP propaganda machine has been working on this obviously long-planned move for three days now. According to anonymous sources, it is known which way the 240-member parliament voted on Friday [20 November] evening when Filip Dimitrov's nomination

to the premiership was defeated by a vote of 124 to 104. Allegedly, 12 of the 23 MP's [members of parliament] of the ethnic Turks' Movement for Rights and Freedoms (DPS) and as many hard-liners of the BSP voted for Filip Dimitrov. If this is so, then one-fifth of MP's elected on the list of the Union of Democratic Forces (SDS) voted against their leader.

This conclusion is consistent with the theory advanced by President Zhelev, the small extraparliamentary parties supporting him, by the BSP and the DPS, that the leaders of the SDS-affiliated parties are not the real exponents of the idea that won the SDS its victory in the October 1991 elections. The members of the SDS National Coordinating Council are ever so often described as "usurpers of the SDS idea" in the Socialists' and the so-called independent newspapers.

Under the circumstances, in about ten days the parliamentary BSP may present a cabinet, headed by an independent economic expert, in which few positions will be filled by BSP members. The cabinet programme will be described as "a national consensus programme." Ministerial portfolios will be offered to DPS members as well as to people of "Ludzhev's group" in the SDS, a group that has irreconcilable differences with the National Coordinating Council of the anticommunist coalition. These people will be declared the true representatives of the SDS and the cabinet will be declared a coalition one. It will receive steady parliamentary support.

Thus Bulgaria will be run by BSP strategists, who will be pulling the strings in agreement with the president and, according to the SDS, with senior officers of the former Secret Services, now doing business.

Members of the SDS Coordinating Council predict that this group, characterized by ideological differences and common economic interests, will run the country over a long period. SDS members tend to see this unidentified group as a "Mafia."

The question of President Zhelev's future conduct remains open because the SDS leaders' doubts about a cunning scenario are shared by at least 34 percent of potential voters.

If such a cabinet is formed, the BSP will probably have to give up calling for a sharp left turn in the economic reform. Otherwise inflation will skyrocket and the creditor banks, which had nearly agreed on a foreign debt settlement scheme with the SDS cabinet, may take an unpredictable course.

There are speculations that the BSP may try to curb inflation by drawing on financial resources hoarded up over the last three years.

It is likely that the new parliamentary majority's next step will be to make serious changes in the judiciary in order to cancel the legal proceedings against ex-Premier Lukanov and other top communist functionaries. As is known, the BSP has charged that these are tendentious political trials.

One way or another, obviously the SDS will not be in control of the situation in near future and will not be able to direct developments. Early elections seem unattainable. However, should elections be held and the minimum of votes needed to qualify for the distribution of the seats is reduced from four to two percent, too many parties will be represented in parliament and it will be inefficient in its reform-oriented law-making.

Centrists Oppose BSP

AU2311142492 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 23 Nov 92

[Text] The Bulgarian Democratic Center [BDC] is prepared to participate in a cabinet of national responsibility and will take part in talks and negotiations without any preconditions.

However, the centrists question the moral right of the Bulgarian Socialist Party [BSP] to form such a government because of its slow evolution and the isolation of the Alliance for Social Democracy. Nevertheless, the centrists refrain from making a categorical preliminary assessment. This was pointed out today by Stilyan Koychev, BDC spokesman, who stressed that the BDC has not been officially approached for any contacts.

According to Stefan Gaytandzhiev, only a government of experts supported by parliamentary and extraparliamentarian forces and the trade unions has a chance at present. Such a government could be formed within the framework of the existing constitutional procedure. The emergence of new parliamentary groups could not be excluded, he said.

Arsenal Workers Block Railroad in Kazanluk

AU2311094092 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 23 Nov 92

[Text] Our correspondent Nayden Rangelov reports: This morning workers of the Arsenal Weapons Plant again blocked the railroad station in Kazanluk. Many trains have been stopped in both directions. Tension increased after the order of the Kazanluk mayor banning demonstrations. No one can foresee how things will develop.

According to sources that closely follow the demands of the Kazanluk weapon producing plants, the Ministry of Industry has hardly been able to resolve many of the problems that were supposed to be discussed on 21 November. It has been demanded that a parliamentary commission be set up to investigate the causes of the crisis in the weapons industry.

Commentary Predicts Unrest

AU2311093492 Sofia KONTINENT in Bulgarian 20 Nov 92 p 6

[Commentary by Lyudmila Videnova: "Avalanche Rolls"]

[Text] The situation in Bulgaria's weapons industry is becoming ever more precarious. It is well known that a spark here could set off a conflagration.

A wave of dissatisfaction has developed since August at the Kazanluk military plants. For months the entire system of military plants has been experiencing an unprecedented financial and moral crisis. Hundred of thousands of families throughout the country have been affected.

Neither the Council of Ministers' promises to liberate the arms trade, nor the parliamentary noise to the effect that the arms problems will be totally resolved produced any results. The trade unions have already exhausted their entire arsenal of trade union means. The "Arsenal" Plant has moved on to using uncontrollable means of protest. On 19 November the roads and railroad to Kazanluk were blocked. Today the same situation exists at Tulovo. The trains were forced to seek alternative routes. Passengers are protesting. The police had to remove by force people sitting on the tracks to allow a train to leave the station. Tomorrow another uncontrollable action would begin. Four parliamentary commissions are expected to express their opinion on a draft that has been submitted to them. So far only one of them has approved it. Rumor has it that two commissions are neglecting the arms industry problems. Perhaps parliament again is trying to get rid of the problem by assigning it to the government, which has not been formed yet. Minister Bikov was the only leader who dared to go to Tulovo.

The situation in the military-industrial complex has become absurd. Both the trade unions and the managers have the same opinion—time is running out.

Who will face the avalanche that is gathering speed?

Daily Claims Minister Ganev Was KGB Agent

AU1911213492 Sofia BTA in English 1952 GMT 19 Nov 92

[Excerpt] Sofia, November 19 (BTA)—The article in the RANNO UTRO newspaper harms the image of Bulgaria and trust in its foreign policy, according to a declaration by the Foreign Ministry spokeswoman Veneta Momcheva released this evening. The small newspaper's article alleges that incumbent Foreign Minister Stoyan Ganev was an agent of the KGB. The paper lately has been running lists of MP's [members of parliament], politicians, labour leaders and other public figures charging them with collaboration with secret services.

Mr. Ganev filed a request with Prosecutor General Ivan Tatarchev to launch an investigation into the case, describing the publication as libel. He filed for a compensation of 1 million leva (40,000 U.S. dollars). If Mr. Ganev wins, he would donate the money to hospitals for children suffering from cancer, the declaration said. [passage omitted]

Ability To Enforce Sanctions Questioned

AU2311101192 Sofia KONTINENT in Bulgarian 18 Nov 92 p 6

[Commentary by Atanas Matev: "Economic Noose Is Tightening"]

[Text] "On the basis of Article Seven of the UN Charter," which envisages the use of force if necessary, the UN Security Council has decided to ban transhipments of a wide range of raw materials and goods through the territory of Serbia and Montenegro. Transhipments have not been completely banned, but permission from the relevant UN organs will be required in each individual case.

Resolution No. 787 applies to the entire international community. However, it contains a section that most directly affects Bulgaria. This is the requirement for all Danube states to "halt all inward and outward maritime shipping in order to inspect and verify their cargoes and destinations."

This requirement raises important questions for our country.

Is Bulgaria capable of coping with the inevitable sharp increase in traffic through Bulgarian territory to Macedonia? How will Bulgaria control traffic on the Danube after the dissolution of our Danube Fleet?

The UN economic noose around Serbia and Montenegro is tightening. The UN control on applying the sanction also is tightening. Do the Bulgarian authorities that until now viewed the "foreign economic" commotion in certain southern parts of the country rather liberally, understand this?

Government Urged To Quantify Sanctions Losses

AU2311095792 Sofia KONTINENT in Bulgarian 18 Nov 92 p 6

[Commentary by Maksim Bozhilov: "Damage and Sanctions"]

[Text] UN economic sanctions are a means by which the international public expresses disagreement with the policy conducted by a particular state. They are intended to apply economic pressure to that state to influence its policy.

Unfortunately, sanctions against a particular state also have a negative impact on other, usually neighboring

states. Usually the United Nations establishes a commission on compensation for such states. The commission assesses the losses and seeks a way to gather funds at the expense of the culprit.

Many Bulgarian firms were directly affected by UN sanctions against Serbia and Montenegro. The losses for some of them are so bad that if they are not immediately compensated, they will cease to exist. The Foreign Ministry, as a representative of the state, must ascertain the number of companies affected and defend their interests with the relevant UN commission.

That is how it should be. However, in the case of Iraq a list of affected companies is only now being drawn up, and those companies will obviously be at the end of the line of those who can expect compensation. Must we wait for years before Bulgaria's losses as a result of sanctions against Serbia are clarified?

UN Security Council Export Sanctions Implemented

AU2011154492 Sofia BTA in English 1436 GMT 20 Nov 92

[Text] Sofia, November 20 (BTA)—The situation at the Zlatarevo and Stanke Lisichkovo border checkpoints (southwestern Bulgaria) changed after the imposition of new UN restrictions on the export of strategic raw materials.

Only trucks carrying products permitted for export from Bulgaria have left this country today, according to the competent authorities.

Trucks carrying petroleum products or other strategic raw materials to Macedonia are still crossing at the Stanke Lisichkovo checkpoint near Blagoevgrad, BTA's correspondent reported. The embargo and the latest UN sanctions do not apply to Macedonia, said Nikolay Shishkov, chief of the Interior Customs in Blagoevgrad. He put the small number of tanker trucks crossing the border there down to the difficult passage through the mountains.

Serbian-registered cars are turned back, according to national radio.

The Foreign Ministry today introduced in the Council of Ministers a report by Foreign Minister Stoyan Ganev and a draft of a government decree on the implementation of UN Security Council Resolution 787.

The draft decree envisages measures to implement the resolution, namely, control over transit traffic along the Danube River. The documents and cargo of all vessels transiting the Bulgarian stretch of the Danube River will be checked from now on and will be arrested when there are serious grounds to believe they are busting the UN Security Council's sanctions. The draft decree also envisages measures against diverting to Serbia and Montenegro Bulgarian exports intended for Macedonia.

Yordanov: Police Files Should Be Declassified

AU2011105192 Sofia BTA in English 0946 GMT 20 Nov 92

[Text] Sofia, November 20 (BTA)—All police files should be declassified, those of politicians as well as of people who form the public opinion, and everyone should be allowed to see their own police files, says National Assembly Chairman Aleksandur Yordanov in an extensive interview for the latest issue of BTA's OSHTE weekly, coming out today.

Mr. Yordanov doubts that the police files will be declassified by the present National Assembly. "I think we missed the right time. The question simply cannot be introduced in the plenary chamber but a legislative solution must be found," Mr. Yordanov says. The people with police files should be clearly identified. They are playing a dangerous role because they are either manipulating other people or are being manipulated, Aleksandur Yordanov says.

Mr. Yordanov believes that decommunization in this country is being effected through all acts of parliament, through the structural reforms. Personal decommunization would be a very slow process, it will become unnecessary if structural reforms are carried out.

Lack of Control on Money Laundering Deplored

AU2311103292 Sofia DEMOKRATSIYA in Bulgarian 14 Nov 92 p 6

[Interview with Valentin Dobrev, deputy minister of foreign affairs, by Elena Urumova; place and date not given: "There is No Bulgarian Legislation on Control Over Laundering of Dirty Money"]

[Excerpts] [Urumova] Why did we join the European Convention on control over dirty money?

[Dobrev] By signing the convention, Bulgaria joins the strict worldwide and Europewide banking system. In addition to this, the ratification of the convention will commit us to observing the standards of European countries in this respect, standards that require control over the entry of payments in our banking system. In the absence of special Bulgarian legislation on this matter, we are applying Article 5, Paragraph 4, of the Constitution, according to which International Law has priority over domestic legislation in the case of contradiction or omission. The solution worked out by the Ministry of Foreign Affairs is only a way out, of course. However, it is the more painful procedure, almost bordering on nationwide masochism. Nevertheless, this is the only method of speeding up European integration that stimulates in our country the drafting of relevant laws related to the sector of economic and financial relations.

[Urumova] Can you describe the laws whose absence should be compensated for by the European convention and which have not been adopted in our country as yet?

[Dobrev] They are the law on financial control and the law on bank control. Some bills related to this matter have already been submitted to parliament. We also lack an amendment to the Penal Code according to which money laundering should be considered a crime. What we call "money laundering" in Bulgaria actually represents a major economic offense. As a matter of fact, we are confronted with the deviation of state assets to private companies and banks, which means secret privatization. The case of mixed companies abroad is also dealt with in a similar way. One of the Lukanov government's last actions was to eliminate control over such companies. This act has not been annulled as yet. We must by all means urgently introduce a new system of control, new methods of investigation, and accounting. Prompt revisions and personnel changes are required as regards the Bulgarian side in mixed companies. Considering that such companies are also subject to foreign legislation, the Foreign Ministry has drafted a package of agreements on legal assistance, and we are also preparing for the prompt joining of the European Convention on Legal Assistance. [passage omitted]

[Urumova] At one of your briefings you said it is not your department's responsibility to produce evidence on "working laundries." Who should be responsible for it?

[Dobrev] The legal investigation authorities, of course. However, I wonder what kind of legislation they should base the investigation of suspects on, as long as there are no relevant laws and instructions. Nevertheless, several banks, the First Private Bank included, are suspected of receiving dirty money. However, someone should force the banks to check on the sources of their financial assets.

[Urumova] Do you mean that there is no hope of restoring the money that was illegally taken out of the country by the Communist Party?

[Dobrev] Such chances exist, but the investigation and confiscation of such assets is not likely to produce results today or tomorrow, nor will it be complete. The laundering machines have turned too many times in most cases. Nevertheless, the convention, the new legislation, and the application of world standards represent steps forward toward the investigation of the $3 billion that the Communist Party transferred abroad. Nevertheless, you should remember that extremely complicated procedures are involved.

General Views Army Financial Problems

AU2311132792 Sofia BULGARSKA ARMIYA in Bulgarian 19 Nov 92 pp 1, 3

[Interview with Major General Simeon Petkovski, deputy head of the Military-Economic Sector on Military Issues and Coordination, by Major Georgi Vuchev; place and date not given: "We Will Think Later About F-16 or MiG-29, Right Now We Must 'Survive'"]

[Excerpts] [passage omitted] [Vuchev] The General anticipated my first question and began to answer it before I even asked it.

[Petkovski] The Military-Economic Sector at the Ministry of Defense supplies the Army with everything that indirectly affects the troops' combat training and readiness. For this purpose our structure contains departments for the technical and scientific supply of the Bulgarian Army, military industry, construction, supply and trade, and inspectorate for control, testing, and military acceptance, and sections for planning and coordinating, and for legal and general personnel. [passage omitted]

[Vuchev] Is your work progressing well through established channels?

[Petkovski] A major draft is prepared on the prospects of developing the Army's weapons and equipment. What we need is precision, comparative analysis, and selection of the best alternatives that suit our "pocket." Does it really matter whether we will purchase the F-16 or MiG-29 aircraft and when we will do it? In Paris we also saw wonderful tanks, airplanes, and helicopters with thermal-visual control that do not depend on the meteorological conditions. We know that our systems are active and easily detectable, but at least for the time being we can only dream of replacing them.

[Vuchev] Did we already have a similar concept?

[Petkovski] Yes, but we needed several billion dollars to put it into effect. It was a good idea that could not be implemented at present. To put it in figurative terms, now we must "survive" and only then begin to realistically think about the future. Think about it: We have not imported almost anything essential in the last two to three years. Some 47 percent of our military budget is spent on wages, and 38 percent for food and clothing. This means that we have only 15 percent left for everything else—the purchase of weapons and equipment, spare parts, and so forth. The weapons of the Navy and the Air Force, and the vehicles of the Ground Troops have become obsolete. [passage omitted]

[Vuchev] Do you see a "light at the end of the tunnel"?

[Petkovski] As far as the "modernization" of the Army is concerned, I think that the solution is in the purposeful allocation by the National Assembly of means outside the Armed Forces budget. This is so because one cannot rearm the troops with less than 4 percent of the national budget. In the past requests were made in accordance with the five-year plan periods. The average annual inflation was 5 percent. Now the market and the stock exchange are merciless. We have a small reserve, and in addition we could make an eventual profit by selling accumulated surplus. However, this will not solve our problems.

Parliament Approves Bond Issue To Finance Dam

AU2011134392 Prague CSTK in English 2325 GMT 17 Nov 92

[Text] Bratislava, Nov 17 (CSTK)— The Slovak Government will issue a 4,500 million crown (161 million USD [U.S. dollars]) state bond to finance the completion of the Gabcikovo water works, under a law on state bonds passed by the Slovak National Council (parliament) today.

An initial government draft law provided for issuing a 3,500 million crown (125 million USD) bond, however, the Slovak Finance Minister Julius Toth asked deputies to approve a 1,000 million crown (about 36 million USD) higher sum. By the end of this august 2.6 million crowns (some 93,000 USD) were earmarked for Gabcikovo from the Slovak budget.

The construction of the Gabcikovo-Nagymaros twin-dam hydroelectric project was started in 1977 under an agreement signed between Czechoslovakia and Hungary. In October 1989 the Hungarians ceased work on the project due to environmental concerns. The Slovak Government in July 1991 approved a plan to put the Gabcikovo portion of the plant into operation and in May of this year Budapest unilaterally abrogated the 1977 agreement.

CSFR Pledges Halt to Work on Dam at Midnight

LD2111160892 Prague Stanice Ceskoslovensko Radio Network in Slovak 1400 GMT 21 Nov 92

[Text] The working group of experts formed by representatives of Czechoslovakia, Hungary, and the European Community that has been assessing various aspects of the Gabcikovo hydroelectric project since 6 November, will conclude its activity today.

Czechoslovakia has pledged to halt all work in Gabcikovo from midnight tonight with the exception of work necessary to maintain and preserve existing equipment in its present form. The European Community considers this pledge to be of key importance.

The content of the conclusions and recommendations of the working group of experts should remain confidential at least until 27 November, when a second round of talks on Gabcikovo between representatives of Czechoslovakia, Hungary, and the European Community is due to take place in Brussels.

EC Extends Trade Agreement With CSFR

LD2111095692 Prague Stanice Ceskoslovensko Radio Network in Czech 1200 GMT 20 Nov 92

[Text] At the proposal of the Commission of the European Community, the Strasbourg-based European Parliament decided today to extend the temporary trade agreement with the CSFR. It recommended that the EC Council of Ministers extend the agreement by a simple exchange of letters between EC and CSFR bodies. The agreement is important for both future independent republics, because it covers trade concessions such as lower customs duties and lower quotas on the exports of farming and consumer goods to the EC member countries. The essence of today's decision is that the article, which stipulates that the dateline for the ratification of the association agreement is the end of this year, has been deleted from the temporary agreement.

The European Parliament also approved, with several changes, the extension of the transit transport agreement between Czechoslovakia and the European Community.

Text of Law on Division of Federal Property

AU2011112092 Bratislava PRAVDA in Slovak 17 Nov 92 p 6

["Constitutional Law on the Division of CSFR Property" passed by the Federal Assembly on 13 November]

[Text] On Friday, 13 November, the Federal Assembly passed the constitutional law on the division of CSFR property between the Czech Republic and the Slovak Republic and its transfer to the Czech Republic and the Slovak Republic. We have compiled and here publish the text of the law on the basis of the drafts and other written materials received by deputies, making use of the shorthand transcript from the deliberations in parliament.

The CSFR Federal Assembly has passed the following constitutional law:

Article 1

This constitutional law regulates the division of the property of the CSFR between the Czech Republic and the Slovak Republic and its transfer to the Czech Republic and the Slovak Republic as the successor states to the CSFR, on the basis of a constitutionally made decision leading to the termination of the CSFR's existence. Furthermore, it regulates the abolition of the Federal National Property Fund, in the event of the termination of the CSFR's existence, and the division and transfer of its property to the National Property Fund of the Czech Republic and the National Property Fund of the Slovak Republic. The property of the Czechoslovak State Bank shall also be divided according to this constitutional law.

Article 2

For the purpose of this constitutional law, CSFR property that is subject of division under Article 1 consists of:

a) Real estate and movable goods in the ownership of the CSFR[1]

b) CSFR state assets and liabilities

c) CSFR monetary assets, liabilities, and reserves

d) Other property rights and obligations belonging to the CSFR and to state organizations under the jurisdiction of the CSFR located on and outside the CSFR territory

Article 3

1. Principles for the division of property listed under Article 2 are:

a) The territorial principle, under which property shall be transferred to that successor state, on the territory of which it is located. This principle shall be applied to all real estate located on the territory of the Czech Republic and the Slovak Republic; it shall be applied to movable goods in those cases in which these goods are appurtenant to the real estate in terms of their function, purpose, or nature.

b) The principle of the proportion of inhabitants of the Czech Republic and the Slovak Republic, under which property shall be transferred to the Czech Republic and the Slovak Republic at a ratio of two to one; this principle shall be used to divide other property, that is, property to which the principle under letter a) cannot be applied.

2. In dividing the CSFR's property, economic efficiency and the further proper use of this property shall be safeguarded, while providing for an equitable property and financial settlement.

3. In exceptional cases, defined in an agreement between the Czech Republic and the Slovak Republic, concluded according to Article 12, Paragraph 1, of this law, singularity of property shall be maintained in dividing the CSFR's property, if the functionality of this property depends on it. This agreement shall also determine the further manner of using this property and regulate other concomitant questions.

4. Rights and obligations that, by virtue of their contents, apply only to the Czech Republic or only to the Slovak Republic shall be transferred to the Czech Republic or the Slovak Republic.

Article 4

The CSFR's membership quota in the IMF, as well as financial liabilities with the IMF, shall be divided according to a principle to be determined by the IMF. The CSFR's capital investments in the International Bank for Reconstruction and Development, the International Financial Corporation, the International Agency for Investment Guarantees, and the International Association for Development, as well as the CSFR's financial liabilities with these financial institutions, shall be divided between the Czech Republic and the Slovak Republic according to Article 3, Paragraph 1 b), unless Article 3, Paragraph 4 applies here.

Article 5

1. Liabilities arising from previously accepted financial credits in freely convertible currencies, the central foreign exchange reserves, and bank assets in nonconvertible currencies with Ceskoslovenska Obchodni Banka shareholding company shall be divided between the Czech Republic and the Slovak Republic with effect from the day of the CSFR's termination according to Article 3, Paragraph 1 b).

2. Government credits extended as well as taken shall be divided between the Czech Republic and the Slovak Republic with effect from the day of the CSFR's termination according to Article 3, Paragraph 1 b), unless agreed otherwise with creditors in the case of government credits taken and unless Article 3, Paragraph 4 is used.

3. In the agreement between the Czech Republic and the Slovak Republic on the settlement of property listed in Paragraph 2, which shall be concluded by the day of the CSFR's termination, the Czech Republic and the Slovak Republic shall determine which republic will act as successor to the CSFR with regard to individual government credits extended and taken.

Article 6

1. Property listed under Article 2 shall be transferred to the Czech Republic and the Slovak Republic with effect from the day of division, which is the day on which the commissioners of the CSFR Government and the governments of the republics sign an agreement on handing and taking over the property; part of this agreement is an inventory of property as of the day of property transfer. This agreement can be concluded after a constitutionally made decision leading to the termination of the CSFR's existence takes effect.

2. If property listed under Article 2 is not transferred to the Czech Republic and the Slovak Republic with effect from the day of division, according to Paragraph 1, by the time the CSFR ceases to exist, property shall be transferred to the Czech Republic and the Slovak Republic with effect from the moment of the CSFR's termination.

3. Property listed under Article 2 shall be handed over with effect from the day of the CSFR's termination by the appropriate CSFR state bodies and state organizations and taken over by the appropriate state bodies and state organizations of the Czech Republic and the Slovak Republic, to be determined by laws of the national councils or by the government of the Czech Republic and the government of the Slovak Republic; part of the protocol on handing and taking over the property, which shall be signed by statutory representatives of the state bodies and state organizations of the CSFR, the Czech Republic, and the Slovak Republic, is an inventory of property being handed over as of the day of the CSFR's termination. CSFR property located outside its territory shall be handed over by commissioners appointed by the CSFR Government, with effect from the day of the CSFR's termination, and taken over with effect from the same day by commissioners appointed by the government of the Czech Republic and the government of the Slovak Republic. The Office of the CSFR President, the Federal Assembly Office, and the CSFR Government Office are regarded as CSFR state bodies in this case.

4. With effect from the day of the CSFR's termination, the bank of issue of the Czech Republic and the bank of issue of the Slovak Republic shall take over the appropriate part of the property, rights, and obligations of the Czechoslovak State Bank.

Article 7

Records, the appropriate part of archives, data files [poznatkove fondy], and documentation of industrial and other intellectual property that are related to property listed under Article 2 shall be transferred to the appropriate state bodies and state organizations of the Czech Republic and the Slovak Republic along with this property.

Article 8

1. CSFR property comprising the right to operate a state enterprise that is within the federation's jurisdiction shall be transferred to the ownership of the Czech Republic or the Slovak Republic according to the headquarters of the state enterprise.

2. If a state enterprise whose headquarters is on the territory of one republic has an organizational subunit located on the territory of the other republic, property listed in Paragraph 1 that serves the operations of this organizational subunit shall be transferred to the ownership of the republic on the territory of which this organizational subunit is located.

3. The rights and obligations of the founders of state enterprises that are within the federation's jurisdiction shall be transferred, along with property listed in Paragraph 1, to the respective state bodies of the Czech Republic or the Slovak Republic, in conformity with national council laws.

4. If a state enterprise with its headquarters on the territory of one republic has an organizational subunit on the territory of the other republic, along with property listed in Paragraph 2, the function of the founder, too, shall be transferred to the state body of this republic that is in charge according to the law of its national council.

5. In justified cases, an agreement between the Czech Republic and the Slovak Republic concluded prior to the CSFR's termination can determine that provisions of Paragraphs 2 and 4 shall not be applied to property that serves the operations of the organizational subunits of state enterprises located on the territory of the other republic and to the function of the founder related to this property.

Article 9

1. To finally settle claims stemming from the division of the CSFR's property between the Czech Republic and the Slovak Republic, a commission shall be set up to complete the settlement of the CSFR's property after the CSFR ceases to exist. This commission shall be made up of an equal number of members appointed by the Government of the Czech Republic and the Government of the Slovak Republic.

2. The number of members of the commission, the rules of its procedures, the conditions under which it will make decisions, and other details concerning the activity of this commission will be set out in its statutes, which will be published by the Government of the Czech Republic and the Government of the Slovak Republic no later than 31 December 1992, following mutual agreement.

Article 10

1. From the time this constitutional law takes effect until the day the CSFR ceases to exist no CSFR property managed by CSFR state bodies, the Czechoslovak State Bank, state enterprises, and other CSFR state organizations shall be transferred to the Czech Republic and the Slovak Republic; this also applies to their property shares in the operations of other legal entities. Analogously, the CSFR's property shares in the operations of legal entities must not be transferred either.

2. The provisions of Paragraph 1 do not apply to:
a) Property transferred to the Czech Republic and the Slovak Republic in connection with changes in federal and republican spheres of jurisdiction
b) Property transfers within the framework of routine day-to-day operations
c) Transfer of property according to Article 6, Paragraph 1

Article 11

1. The Federal National Property Fund shall be abolished with effect from the day of the CSFR's termination.

2. Property belonging to the Federal National Property Fund on the day of the CSFR's termination shall be transferred, with effect from that day, to the National Property Fund of the Czech Republic and the National Property Fund of the Slovak Republic; provisions of this constitutional law will be applied analogously to its division.

3. The protocol on handing and taking over the property of the Federal National Property Fund, part of which is an inventory of the property being handed over as of the day of the CSFR's termination, shall be signed by the chairman of the Federal National Property Fund Presidium, the chairman of the National Property Fund Presidium of the Czech Republic, and the chairman of the National Property Fund Presidium of the Slovak Republic.

Article 12

1. Prior to the termination of the CSFR's existence, the Czech Republic and the Slovak Republic shall conclude an agreement, in which both parties to the agreement shall commit themselves, first and foremost, to take over this constitutional law into the legal systems of the successor states as of the day of the CSFR's termination and to

interpret it in the same way. An accord on preserving the integrity of documentation under Article 7, in special cases of interest in its further utilization, as well as an accord on the utilization of this documentation by the Czech Republic and the Slovak Republic under equal conditions, shall also be part of this agreement.

2. An accord on the manner of deciding disputes over the division of the CSFR's property by means of arbitration and the commitment of the Czech Republic and the Slovak Republic that the ruling of the body of arbitration shall be valid and enforceable on the territory of the Czech Republic and on the territory of the Slovak Republic shall also be part of the agreement under Paragraph 1. The commission established under Article 9 can act as the body of arbitration if so determined by the agreement between the republics.

3. In harmony with the provisions of Article 3, Paragraph 2, other property and financial settlements may also be part of the agreement according to Paragraph 1.

Article 13

1. The abolition of the Federal Security and Information Service by the day of the CSFR's termination at the latest and the settlement of its property and other matters shall be set out in a Federal Assembly law.

2. The division of the property of Czechoslovak Television, Czechoslovak Radio, the Czechoslovak News Agency, the Czechoslovak National Railroads, the Post and Telecommunications Administration Prague, and the Post and Telecommunications Administration Bratislava and its transfer to the Czech Republic and the Slovak Republic by the day of the CSFR's termination at the latest shall be set out in a Federal Assembly law, analogously with this constitutional law.

3. The abolition of the Czechoslovak Academy of Sciences by the day of the CSFR's termination at the latest and the settlement of its property and other matters shall be set out in a Federal Assembly law.

4. A Federal Assembly law can regulate, in a way divergent from the principles listed under Article 3, Paragraph 1, the division of the Federal Market Regulation Fund in agriculture.

5. With effect from the day of the CSFR's termination, the property of the Coupon Privatization Center shall be divided between the Czech Republic Coupon Privatization Center and the Slovak Republic Coupon Privatization Center as follows:

a) Movable goods, with the exception of net proceeds from the sale of coupons, according to the territorial principle

b) Net proceeds from the sale of coupons at a 2.29:1 ratio

Details concerning the division of property of the Coupon Privatization Center shall be set out in an agreement between the Czech Republic and the Slovak Republic concluded prior to the CSFR's termination.

6. The division of CSFR property comprising the right to operate the Transit Gas Pipeline, Czechoslovak Airlines, Cechofracht, former foreign trade organizations and their foreign subsidiaries, and the division of other CSFR property to be defined by an agreement between the Czech Republic and the Slovak Republic, shall be executed on the basis of an agreement between the Czech Republic and the Slovak Republic, unless regulated by special laws.

Article 14

Part five (Articles 27 through 40) of Law No. 92 of 1991 On the Conditions of Transfer of State Property to Other Persons shall be abolished by the day of the CSFR's termination.

Article 15

This constitutional law goes into force on the day of its promulgation.

Footnote

1. Article 4, Paragraph 4 of Constitutional Law No. 143 of 1968 on the Czechoslovak Federation as amended by subsequent constitutional laws.

More on Resolutions To End CSFR

AU2011134992 Prague CSTK in English 1642 GMT 17 Nov 92

[Text] Prague/Bratislava, Nov 17 (CSTK)— The parliaments of both the Czech and Slovak Republics today approved resolutions endorsing the termination of the Czechoslovak Federation. The Federation is scheduled to split into independent Czech and Slovak Republics as of January 1, 1993.

In the 150-member National Council of the Slovak Republic 73 deputies voted in favor of the resolution, 16 voted against, and 42 abstained. The vote in the 200-member Czech National Council was 106 for, 67 against, 12 abstentions, and two no-votes. Slovak legislators included in their resolution a statement that neither republic would be allowed to use the symbols and seals of the Czechoslovak Federation after January 1.

The two legislatures coordinated their resolutions today by means of telephone conversations between Augustin Marian Huska, vice chairman of the Slovak parliament, and Jiri Vlach, the Czech parliament's vice chairman.

The intent was for the final versions of the resolution not to differ too much from the proposal approved in Jihlava, said Huska, referring to Monday's talks. On October 1 Czechoslovakia's Federal Assembly (parliament) rejected a government-submitted bill on the Federation's termination. Prior to the vote, members of the

Christian Democratic Movement (KDH) in the Slovak parliament today told CSTK they would vote against the resolution as long as it did not provide for a referendum ratifying the division in at least one republic. Maria Durisinova of the Democratic Left Party (SDL) said her party would take the same position.

In the Czech parliament's debate, deputies of opposition parties failed to attach to the resolution a recommendation to the Federal Assembly that a referendum be required in order for the termination law to be valid.

The Left Bloc (LB), the Movement for Self-Governing Democracy-Society for Moravia and Silesia (HSD-SMS), the Czechoslovak Social Democratic Party (CSSD), and the Liberal Social Union (LSU) either opposed or abstained from the resolution.

Filip Sedivy, the first vice chairman of the Federal Assembly, said the republic parliaments' adoption of resolutions would make it easier for the law on terminating the Federation to pass the federal parliament. The Slovak legislature's inclusion of federal seals and symbols in its resolution, however, he said was a little bit much.

Vlach told CSTK that the reference should not be allowed to stir up fears that the Czech Republic seeks to gain for itself exclusive rights of succession to the Czechoslovak Federation.

Many times we have dismissed that, stating that it would be nonsense and that we realize it would be unsuitable for both sides, Vlach said. He said that the two parliamentary delegations agreed Monday [16 November] that their resolutions would be completely identical.

Prime Minister Meciar Views Current Issues

LD2211195392 Bratislava Slovak 1 Television Network in Slovak 1740 GMT 22 Nov 92

[Regular Sunday television address by Slovak Prime Minister Vladimir Meciar—live or recorded]

[Text] Good evening, esteemed fellow citizens. At present you could be witnessing events in the Federal Assembly in the Czech and Slovak National Councils, which are directly linked to the development of the statehood of the Czech Republic and the Slovak Republic and the CSFR. These events are assuming a fast and dramatic pace and the time remaining before 1 January 1993 is getting shorter and shorter. Positions are being adopted by parties and parliaments, and so allow me to also voice my view on some of the issues.

I was present at all talks with the Civic Democratic Party, I know very well the contents of the talks, as I took part in creating the contents and thus, I bear responsibility for the results of these talks, the results of actions. The contents, according to our mutual agreement, will be published after one year. Despite this, we can speak about problems that we had along the way. First of all, the crisis in Czech-Slovak relations did not come about as the result of elections or after the elections. After the elections representatives took over and it was their duty to resolve this crisis. It is interesting that many of those who are in fact personally responsible for the crisis situation defend different principles, different views today, and do not acknowledge their responsibility.

We had two alternatives from which to choose: either to adopt the concept proposed to us by the Civic Democratic Party—that is, the unitarian state concept in which the federation is only its democratic form—or another concept, which we were looking for—agreements on mutual cooperation, respecting the international subject status for both republics. The result is something else: It is not what the Civic Democratic Party wanted or not quite what the Movement for a Democratic Slovakia wanted, but the result is the agreements concluded between the two governments and agreements which they have submitted to National Councils. The question is whether we could have agreed on something else, and many of those who have doubts about the importance and contents of these agreements, while recognizing the fact that the development is irreversible, nevertheless still wonder what the best thing for Slovakia would be; whether we should not have stopped somewhere and turned.

Allow me to express my view on the matter. If somebody hopes that money will continue to come to us from Bohemia, he hopes in vain. The agreements, even in the event of a common state, were such that all processes of reallocation would be stopped. There would not be any more such budgetary rules that would regulate any reallocation. Moreover, the reallocation, which was perceived as a one-way flow of finances from Bohemia to Slovakia, was untrue and misleading. When we have today investigated all flows of finances and we found that even this idea was even. Neither side can reliably say who was paying for whom. We can say what both of us together have paid for.

When we were searching for new conditions of coexistence in the economy, our question naturally was how would it be possible to observe the rules of regional economic policy. We did not want anything but what President Havel kept promising while in Kysuce and when he talked of what the regional policy would be like. It was not possible to come to an agreement.

We wanted to have at our disposal that part of money, which would be in the budget of the Slovak Republic as revenue from taxes, through our own performance [as heard], but it was not possible to reach an agreement. We wanted to have certain powers to give preferential treatment to foreign investors so that we could change the flow of money and so that these investors would arrive in Slovakia in larger numbers. Again, it was not possible to reach an agreement.

Hence, all these interests that were different in the economic sphere led to the point when we reached a

decision that if accord in the economic sphere is, in its essential form, not possible, then we have to subordinate the political decisions to those interests which are necessitated by economic life and the social situation in Slovakia.

A solution to the problem was accepted according to which the CSFR should cease to exist as of 1 January 1993. This solution assumes that a political division of the state into two entities, political disintegration, will take place. This solution is in fact a second step, since cultural disintegration took place as early as 1968. This continuation of the process taking place in 1992 assumes that an integrated market is created in 1993. This means that we want to maintain all that was mutually necessary and beneficial to us from the cooperation. That is why we laid such great stress on preserving the market ties in the form of a customs union, in the form of an agreement on the currency, in the form of agreements on the protection of investments, protection of privatization, protection of taxes, and so on.

We have seen all of this to its conclusion. It has been a quiet, peaceful road, via talks that were often very difficult and made great demands on each and every one of us who took part. A responsibility rested on us during the talks and we have attended them on your behalf, dear citizens, on the basis of the trust, which you have given us in the election; we held the talks mainly for your sake.

It has been our aim to give the citizens of the Slovak Republic a chance to decide in a referendum on the result of these processes. We have promised that and have been making an effort toward it. But what has happened? When we proposed a referendum to our partners in the Czech Republic, it never got through and it was never accepted. It was rejected out of principle. When we discussed a referendum in its present legal form, by necessity we had to keep in mind the fact that the previous law on referendum adopted by the federal bodies was effectively punishing the one who might like to secede, which would lose its property claims. But all the while we have been adopting the law on the division of the common state and its assets. Such a referendum was not feasible.

We therefore wanted to present our own variant of the referendum, namely a ratification referendum endorsing or refuting the agreements that we have concluded. It so happened that all political parties in Slovakia have refused to back me on this. We [the Movement for a Democratic Slovakia] have 74 votes in the parliament. It appears that the government-sponsored bill will not be passed.

These days, the issue of the referendum has been raised again as a precondition for the decision on the end of the federation. We are not against it. But wherein lies the problem? The decision should be made on 19 December. Until 19 December, all activity preparing the future cooperation between Czechs and Slovaks should be put on ice. All process of devolving currency and other regulations would be suspended. Devolution of any kind would be suspended. It could well happen that after the referendum that we will suddenly have to rely on our own currency without knowing what it is covered by. We have not clarified budgetary rules. New tax regulations have began to be introduced. For these reasons and others it is understandable that the Czech Republic, being in the situation it is and pressed for time just like we are, has been taking unilateral steps.

They are unilateral, but understandably true. It has been stressed to all Slovak political parties that these unilateral steps would be taken [by the Czech Republic] if they go and vote in the federal parliament in the way the opposition eventually did. They all knew this would happen. They did not have it spelled out to them, but knew this was what would be the outcome of such efforts.

That is why, if we return to the issue of the referendum again today, we say that an all-state referendum cannot take place. A referendum on Slovak territory only, postponed to 19 December, and accompanied by suspension of all devolution processes would result in a situation when, on learning the result of the referendum, we would be looking at a country with disintegrated economy, currency, and budget. That is why we have held back and responded the way I just described.

Esteemed fellow citizens, let me tell you also about some questions closely linked to these problems.

No nation has ever been the worse for forming its own state, but many nations have been the worse for not forming their own states. For a nation, a state is the supreme form of its organization. As we are moving toward the third millennium, the category of a nation is not enough for forming a state, we have to respect people's right as citizens of a state—this is why we speak about a civic state where all the citizens are equally represented regardless of their nationality, origin, or religion. We speak about a state in which the citizens are organized in such a way that the territory on which they live, the community, which exists there is interwoven with economic, social, cultural, language and other links in order that through a good organization it can multiply its effort and the result of its activities.

Understanding a state in this way, the forming of the Slovak state is necessarily an advantage for us. A state has its significance in the sphere of foreign policy; it is through a state that we establish contacts with foreign coutries, hold talks, present ourselves, and implement and defend our interests.

It will be a good thing when a Slovak staying in another country is aware that there is an embassy there to protect his interests. Through these relations we enter business and exchange of goods.

Many ask what will follow after 1 January, when our constitutional set-up will be changed; what will happen then? We will continue to work in the same factories—but our society will be organized in a different way. The

responsibilities, duties, and rights will be changed. We will be responsible for ourselves, we will have the right to act under our own name abroad, without mediation. We will have the right to directly pursue our interests in contacts with all our neighbors. If some people doubt what we are going to do—we will turn out honest work the way one works on what is his own. Thank you.

Slovakia's Economic Problems

LD2111122592 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1100 GMT 20 Nov 92

[Interview with Slovak Prime Minister Vladimir Meciar by unidentified Radiozurnal correspondent; place and date not given—recorded]

[Excerpts] The budget and old-age pensions will have a direct impact on our standard of living. After 1 January, the standard of living of most of us will deteriorate. I wonder how long a social truce [socialni smir]—the main precondition for the stability of Vladimir Meciar's government—will last in Slovakia? This is what the prime minister replied to a question put to him by Radiozurnal.

[Meciar] Whether or not there will be social unrest depends on the political situation and the political perception of this situation. The government is easing its control over wage increases. It says that if companies are profitable they can determine employees' wages and that the government will stop regulating them. This means that companies should pay their people what they can afford. At the same time, the government is warning them be careful not to make their own future difficult. [passage omitted]

It should be remembered that the development of Slovakia's economy does not solely depend on those in power. For instance, if the Democratic Left Party were in power today, nobody would give it foreign credits. Also, the state budget does not have enough resources to serve on its own as a mechanism of revival and recovery. It means that we have to go abroad and establish cooperation. [passage omitted]

To talk about social truce and redistribute the same money from one pocket to another, with the result that there is less and less of it, is no solution. Our philosophy must be one of reviving the economy. The government has adopted strategic principles of economic policy and economic revival. These are capable of improvement in some aspects, but on the whole the direction is correct. The government is now looking for resources and impulses.

Many blame us for slowing down the privatization. But that was only a game. Privatizing needs a bank loan. If the loan is used to pay for the difference in property value, there will be no money left for revival, to develop technology, a regional policy, an employment policy, and similar things. In other words, there would be inadequate financial resources to pursue any other active policy. Moreover, the privatization philosophy was to use up the 300 billion korunas in citizens' deposits for privatization and thereby return it to the state. This is not happening. Savings are increasing, but there are no more resources.

Slovakia finds itself on the verge of exhausting financial resources. In this situation, there are problems the government has not made up and they are not a result of its policies. The government is desperately trying to solve these problems.

Our citizens can act in two ways: We can enter a nationwide dialogue and try to find ways out of this situation, or we can provoke social unrest, drag Slovakia through a wave of strikes, and incite a political change—a possibility that has been initiated by many people on several occasions. What will the result of such a course of action be? Time will be lost, confidence will be lost, and the result will be a dispute that will take one generation to be eradicated from people's minds. Nothing will be solved. Nothing has ever been resolved in the streets. In the streets people only express their dissatisfaction.

It is not possible to (?imagine a social truce as an ideal situation). There will be those who become rich quickly, but there will not be many of them. Some are becoming poorer very fast, and their numbers are increasing. There are some whose living standards are slightly improving. There are not many of these, but this is the largest group.

The result of all this is that the state has to intervene in all these processes, activate them, and organize them. It cannot leave these matters to be solved by market self-regulation, and it cannot leave them to be solved by some external powers. A liberal policy of allowing unrestricted and uncontrolled tendencies would do more harm than good.

This is the situation in our country. Lots of damage has been caused by the former government. We have also inherited many bad things from the past 40 years. Anyone coming to power would have to deal with these problems. Solutions are clear: Restoration of currency [ozdraveni meny], introduction of a banking system, restructuring of the economy, reconstructuring of markets, and regional development. All these things need money, money, and more money. Therefore, on our visits abroad we are looking for money everywhere. There is money to be had, but a precondition is a stable political system in the country.

Slovak Political Board Meeting

LD2111100592 Bratislava Slovak 1 Television Network in Slovak 2030 GMT 19 Nov 92

[Excerpts] Leaders of political parties represented in the Slovak parliament met in the building of the National Council of the Slovak Republic in Bratislava today. They were joined by the chairman of the political parliamentary clubs represented in the Federal Assembly. Just

before our news broadcast, correspondent Milan Sedlacek reported the latest news from the meeting of the political board:

[Begin recording] [Sedlacek] Mr. Prime Minister, it is now 2115 and you have been having talks for more than two hours now about the manner of the dissolution of CSFR, about the appurtenant law. Have you reached any conclusions so far?

[Meciar] Some issues have been solved, some not. As for the questions linked to the mandate of the Federal Assembly deputies, political parties are inclined towards the formation of a second chamber for the transformation of federal laws and the transformation of other federal relations to republican conditions as an interim constitutional state.

Another matter that is being solved is our stance in the event that the Czech Republic takes a one-sided step in this situation, which could be considered by us as secession from the Federative Republic. We agreed to call an immediate consultation of chairmen of political parties to agree on steps to be taken in such an event by the Slovak Republic.

Another point on the agenda is relations connected with the activity of the Federal Assembly, bearing into account that the Slovak part blocked the bill on the termination of the Czech and Slovak Federative Republic and all that ensues from this fact. The discussion on the referendum has been set for 19 December, which of course means a halt to all development process and should the outcome of the referendum be in favor of the Federation, there would still be no federation. In the event of rejection of the Federation the processes which have started would stop, run out of time and would not be able to take place at all. [passage omitted]

We shall try to initiate the whole process in the Federal Assembly once again on 24 November in the arbitration committee and if the situation remains blocked, then on Monday we will have talks with Klaus and his party where we should agree on a procedure acceptable to both sides. Maybe it will be a procedure for the national councils, or maybe a one-sided step by one of the republics. It is very complex but things are complex and any kind of simplification brings more complexity. [passage omitted]

[Sedlacek] Do you think the Federal Assembly will convene for its session on Tuesday?

[Meciar] I hope so. It depends on the development between now and Sunday and on the Monday talks with Klaus and members of his government. [passage omitted]

Prime Minister on Need for State Power Resolution

LD2011174492 Prague CSTK in English 0832 GMT 20 Nov 92

[Text] Prague/Bratislava, Nov 20 (CSTK)—Czech Premier Vaclav Klaus last night told journalists that the passage of a resolution on the Czech parliament and government assuming responsibility for the continuity of state power on the territory of the Czech Republic is a necessary signal for the citizens and abroad. Czech Deputy Premier Jan Kalvoda (ODA) [Civic Democratic Alliance] said that the resolution does not mean declaration of the Czech Republic's independence.

The resolution was presented to the 7th parliament session on Thursday [19 November] by coalition deputies from the Civic Democratic Party (ODS), Christian Democratic Party (KDS), Civic Democratic Alliance (ODA) and the Christian Democratic Union-Czechoslovak People's Party (KDU-CSL). It was proposed in response to Wednesday's failure by the federal parliament to pass a bill on the termination of the Czechoslovak Federation.

The Slovak Republic passed a declaration of sovereignty already on July 17. On October 1, the Slovak Constitution took effect. The Czech Republic has not yet adopted a Constitution.

Former Czechoslovak president Vaclav Havel, who announced his candidacy for Czech president on Monday, thinks that the adoption of the resolution is correct.

Czechoslovak Deputy Premier Milan Cic from the Movement for a Democratic Slovakia (HZDS) told CSTK that the resolution is not in full harmony with Czechoslovak legislation. I consider it stepping out of the constitutional framework because the Czech National Council actually has full responsibility for the areas which are under its jurisdiction.

Cic thinks that it would have been better if the Czech side had coordinated or consulted the step with the Slovak side, and if it had taken it only after discussion of a constitutional draft law on ending Czechoslovakia by the federal parliament scheduled on Tuesday.

According to him the declaration of sovereignty of the Slovak Republic only confirmed what has been embedded in the valid 1968 constitutional law on the Czechoslovak Federation, and therefore the Czech resolution is not equal to it.

Cic said that the federal government will probably wait for the results of the discussion on ending Czechoslovakia in the federal parliament, and then it will probably have to take a stand on its further functioning.

In Bratislava last night, Slovak Parliament Chairman Ivan Gasparovic (HZDs) told the Slovak News Agency TK SR that with the adoption of the Czech resolution, two fully-fledged republics have been created. This also applies to relations with foreign countries, he added. This means that already tomorrow (Friday-ed.), an interstate agreement between the Czech and the Slovak Republics could be signed. We are empowered to do this by the Constitution of the Slovak Republic, Gasparovic said.

Slovak Premier Vladimir Meciar (HZDS) told TK SR he has not been surprised by the Czech parliament's resolution. He was informed about it preliminarily about a week ago, in a meeting of political parties in Bratislava.

Roman Zelenay (HZDS), deputy chairman of the federal parliament, said a discussion will be necessary with the Czech side on what state continuity means. Only when the term is clarified will it be possible for the Slovak side to say what the adoption of the Czech parliament resolution will mean in practice, Zelenay stressed. He said that it is only a resolution, not a constitutional or a normal law.

Czech Resolution Justified

LD2011181092 Prague CSTK in English 1032 GMT 20 Nov 92

[Text] Moscow, Nov 20 (CSTK)—Michal Kovac, chairman of the Czechoslovak Federal Assembly (parliament), today said he considers justified the Czech parliament's resolution approved Thursday [19 November] on assuming responsibility for the continuity of state power in the Czech Republic.

Kovac, who arrived here Thursday heading an official delegation of the Czechoslovak parliament, told CSTK that by this step the Czech Republic is partly catching up with the development in the Slovak Republic.

Both the Slovak and the Czech governments are now actually performing all decisive state acts and thus I do not see anything extraordinary in this (resolution) if we take into consideration the fact that the Slovak National Council approved a declaration on Slovakia's sovereignty (in July) and consequently also the Slovak Constitution while the Czech Republic has not yet adopted its own Constitution. I think that this resolution at least partially catches up with what has already happened in the Slovak Republic, Kovac said.

Kovac also said that the Czech parliament's resolution may have been the first reaction to the rejection in the federal parliament on Tuesday of a bill on ending the Czechoslovak Federation.

Saying that he does not know whether the Czech parliament's step may influence current talks in the federal parliament, Kovac said he believes that the federal assembly will pass the draft law on ending the Federation in the form in which it was submitted by the constitutional and legal committees. Asked whether he has any doubts about the constitutionality of the Czech parliament's step, Kovac said: If the adoption of the Slovak Constitution does not run counter to the federal Constitution, and this is what many responsible lawyers say, then I do not see why the passing of the Czech parliament's resolution should be at variance with the federal Constitution. The Czech Republic has long had the right to adopt its Constitution and if it is not yet ready for approval, then I think that this resolution corresponds to this right, Kovac said.

SDL Leaders Criticize Slovak Government

AU2011143092 Prague CSTK in English 1527 GMT 17 Nov 92

[Text] Bratislava, Nov 17 (CSTK)— Deputies of the Democratic Left Party (SDL) are supporting the proposal on the dissolution of the federation on condition that it is preceded by a referendum, SDL Chairman Peter Weiss told CSTK today. If there is no referendum, he said, it is possible that we will not vote for this law.

The Movement For a Democratic Slovakia (HZDS) is trying at present to link the other political parties to the breakup of the federation, even if it does not consult them first, Weiss said. The date of the dissolution of the Federation, January 1, 1993, was irresponsibly determined, he said, because it is not possible to prepare all that is necessary for the independent existence of the Slovak Republic by then.

The SDL will request from the government a guarantee that it will fulfill its program, because we have very bad experiences with the fulfillment of the government program. We do not want a situation to arise in which the government slips out of control, he said.

I do not understand why (Slovak Premier) Vladimir Meciar says that the government is pressed for time. We gave them 100 days—should we keep quiet if they do not do what they promised? Weiss said in response to Meciar's interview in the Slovak daily PRAVDA November 12. He said that the interview took a confrontational tone against the SDL.

SDL Deputy Chairman Pavol Kanis said that the so-called political peace put forward by Meciar is a gesture which will not be followed by any other steps. It would be sufficient, he said, if the government would consult parliament on its position and create the conditions for the other parties to participate in solving current problems.

Next 'Round' To End First Privatization Wave

AU2011142792 Prague CSTK in English 1442 GMT 18 Nov 92

[Text] Prague, Nov 18 (CSTK)— The fifth and last round of the first wave of Czechoslovakia's coupon privatization, to be held November 23 - December 22, is aimed at using up all the remaining investment points of the citizens, Czech Deputy Finance Minister Vladimir Rudlovcak said today. He told a press conference that it will not be so much important if say 12 percent of the state property offered for sale remains unsold.

Coupon privatization is a project allowing Czech and Slovak citizens to purchase shares in the country's largest state-owned enterprises. Its first wave was launched at the beginning of 1992, envisaging the distribution of stock worth 206,400 million crowns (about 7,000 million USD [U.S. dollars]).

Jaroslav Lizner, head of the Center of Coupon Privatization, told the press conference that a total of 25,000 of the more than 8,500,000 Czechoslovak citizens registered for the first wave have not yet invested a single coupon. He said that in the 5th round, a total of 62.5 million shares of 1,236 companies will be offered for sale, as compared with 99.6 million shares of 1,317 companies offered in the 4th round which closed November 17. A total of 620 million investment points owned by the citizens have yet to be invested, Lizner said.

Each of the Czechoslovak citizens registered for the first wave obtained for 1,000 crowns (over 33 dollars) a booklet containing 1,000 investments points that may be traded for shares. Rudlovcak said that an average rate of shares for the 5th round is six shares per every 100 investment points (in the previous round it was nine shares per 100 points). Rudlovcak said the first wave will be most likely ended at the end of January.

On October 23, Czech Privatization Minister Jiri Skalicky said that in the Czech Republic the start of the second wave depends on the completion of the first one, adding it might be launched next summer.

The privatization scheme was authored by Czechoslovakia's Federal Ministry of Finance but is administered at the republic level by the Czech and Slovak Privatization Ministries.

While the first round was held jointly in all of Czechoslovakia, the second wave is expected to be held separately in the Czech and Slovak Republics, in view of Czechoslovakia's split into two independent states in January.

Czech Parliament Sets Up New Ministries

LD2111166192 Prague CSTK in English 1407 GMT 21 Nov 92

[Text] Prague, Nov 21 (CTK)—The Czech National Council (parliament) decided Friday on the establishment of the Czech Ministry of Defence, Ministry of Transport, and the Office of the President of the Czech Republic.

The approved law on some measures in the system of the central bodies of state administration is to secure smooth transition of powers concerning defence and transport from the Federation to the republic bodies.

The rights and duties of the office of the Czechoslovak president will be transferred to the office of the Czech president on the day of the law's promulgation.

Under the law, the Office of the Czech President will administer Prague Castle and the chateau in Lany near Prague.

National Bank To Define Own Monetary Policy

AU2011132392 Prague CSTK in English 1935 GMT 18 Nov 92

[Text] Bratislava, Nov 18 (CSTK) — Bank of issue of the Slovak Republic is the National Bank of Slovakia which lays down the monetary policy of the republic and issues banknotes and coins, says the law on the National Bank of Slovakia approved by the Slovak Parliament today.

Under the law, the Slovak crown of 100 hellers will be the monetary unit in the Slovak Republic after the division of the Czechoslovak federation into independent Czech and Slovak Republics on January 1, 1993. According to vice governor of the Czechoslovak state bank Marian Tkac, the law on the National Bank of Slovakia provides for the establishment of a National Bank independent of state power.

Tkac told the Slovak News Agency TK SR today that the bank will be the only body responsible for the stability of the currency. An independent position of the bank will be guaranteed through the establishment of a bank council some members of which will be appointed by the president and others by the government on the proposal of the bank's governor. However, the most important thing will be to maintain the internal and external convertibility of the Slovak crown, said Tkac.

He said the stability of the Slovakia's future independent monetary unit will be dependent on the National Bank's monetary policy, the economic policy of the government and on the behavior of citizens themselves, and added that the term of the introduction of the Slovak currency cannot be set as yet.

Council Withdraws University Abolition Bill

AU2011134692 Prague CSTK in English 2012 GMT 17 Nov 92

[Text] Bratislava, Nov 17 (CSTK)— While some 3,000 students staged a protest for academic freedom, the Slovak parliament today declined to take up a two-week-old government proposal to close Trnava University in Western Slovakia. Of the 200 deputies in the National Council of the Slovak Republic, 115 voted in favor of parliament chairman Ivan Gasparovic's proposal to withdraw the proposal from today's agenda.

Eva Uhliarikova, vice president of the Slovak University Union, urged Slovak deputies not to destroy Trnava University, saying such a move would cause a negative reaction abroad. Peter Toth, a student of philosophy at Bratislava's Comenius University, said those seeking to close the university were by and large the same people who supported communist ideology before November 1989.

Trnava University was founded by Jesuits in 1635. In 1777 it was moved to Buda, part of the present-day Hungarian capital of Budapest. It was then restored in Trnava only in 1992. But less than one month after the law establishing the university came into effect, on July

1, 1992, Dusan Slobodnik, Slovakia's minister in charge of education, lodged a request with Czechoslovak Premier Jan Strasky to annul the appointment of the university's rector, Anton Hajduk. Hajduk was appointed in May by then Czechoslovak President Vaclav Havel.

Slobodnik said Hajduk's appointment ran counter to the Law on Universities since he did not have any academic degree. Strasky, who was performing some the Czechoslovak president's duties following Havel's July 20 resignation, annulled Hajduk's appointment in August. Meanwhile, Hajduk initiated the election of the university's Academic Senate, and on September 9 transferred his duties to a vice rector elected by that Senate.

The same day, Slobodnik, who had earlier appointed another man, Lubomir Harach, temporary head of the university, ordered that locks in the rector's Secretariat be changed. This infringement on the inviolability of academic ground triggered off a wave of protests. September 28, Matus Kucera, who had been appointed Slovak minister of education only twelve days earlier, ordered that all of Trnava University's financial funds be blocked until the situation was solved.

Kucera said he would seek to suspend the university's activity. He claimed that it had not ensured high-quality teachers in its staff, objecting especially to sociologist Fedor Gal (one-time chairman of the Public Against Violence, VPN, the landslide winner of Czechoslovakia's first free elections after the fall of communist rule in late 1989), and to political scientist Miroslav Kusy, formerly a leading representative of the Charter 77 human rights movement in Slovakia.

On November 3 the Slovak Government, headed by HZDS [Movement for a Democratic Slovakia] Chairman Vladimir Meciar, approved draft legislation submitted by Kucera to abolish the university.

The decision received broad criticism from political parties, academic dignitaries, and students all over Czechoslovakia. It was also condemned by the New York-based U.S. Committee for International Academic Freedom, who emphasized the support given to Hajduk by the university's Academic Senate. It is a gross violation of academic freedoms and all of the steps preceding it were unlawful, said Jan Carnogursky, chairman of the Christian Democratic Movement (KDH) and former Slovak premier.

On November 5 students from the university staged a protest outside the Slovak parliament in Bratislava and announced they would go on strike November 17 when the bill was scheduled for debate in parliament. But November 12, obviously under the pressure of public opinion and amid objections raised by representatives of political parties and academic circles, the Constitutional and Legal Committee of the Slovak parliament recommended that the bill be withdrawn from the agenda of the November 17-18 legislative session.

Jeszenszky Views Dispute With Slovakia on Danube

AU2311134792 Vienna PROFIL in German 23 Nov 92 p 52

[Interview with Foreign Minister Geza Jeszenszky by Hubertus Czernin and Michael Siegert in Budapest; date not given: "The Danube Needs Water"]

[Text] [PROFIL] Mr. Minister, what are you doing against the diversion of the Danube by the Slovaks into a power plant canal south of Bratislava—a step against which your government has always warned?

[Jeszenszky] It is a serious violation of Hungary's sovereignty, in particular the 1947 peace treaty. We have decided to bring the case before the International Court in The Hague, if possible together with Czechoslovakia. Recently, however, there has been a remarkable shift in responsibility. Czechoslovakia said it could do nothing in this matter until the country's partition was completed, and Slovakia said it could not yet promise anything.

[PROFIL] You also approached the European Community.

[Jeszenszky] Yes, and the result was the trilateral agreement of the EC Commission, Hungary, and Slovakia in London on 27 October. The Hungarian side accepted it immediately, to show our readiness for cooperation. The agreement contains a very important point, namely, that the other side is doing something that it has already privately or semi-officially promised to do—that 95 percent of the Danube water will be diverted back into the old river bed. Slovakia should have implemented this point of the London agreement without delay, but it has failed to do so.

[PROFIL] Do you really believe that Slovak Prime Minister Meciar is impressed by such documents, in view of the tough attitude he has demonstrated so far?

[Jeszenszky] Since there is also a London agreement on Bosnia that has regrettably not been implemented, we are asking ourselves whether the new Slovakia intends to behave in its first appearance before the international public as the southern Slav forces have done.

[PROFIL] Is there a compromise between the Hungarian and the Slovak positions? Would two-thirds of the Danube water be enough for you?

[Jeszenszky] This is not a political but an ecological problem. To my knowledge, two-thirds of the Danube water would not be enough. The river needs as much water in its bed as it had in the past. The situation there is indeed disastrous.

[PROFIL] The 1920 peace treaty of Trianon and the 1947 peace treaty say that the border runs in the middle of the Danube. Your government is arguing now that, as a result of the diversion of the Danube, the border has moved further north.

[Jeszenszky] We have said repeatedly —but privately rather than publicly—that if we applied the peace treaty literally, we could claim this small region, but we have not made such a claim.

[PROFIL] You could say, if this is our territory, that we will dispatch our troops to the north, to the dam, and they will open the gates there and divert the water back into the old Danube bed.

[Jeszenszky] I must tell you that we really did not discuss such an option.

[PROFIL] Do you insist on regional autonomy for the Hungarians in southern Slovakia?

[Jeszenszky] Not we, but the Hungarians living there insist on local self-administration, local democracy. It could have different forms. To my knowledge, the Hungarians in southern Slovakia do not want a narrow strip of land where they would have exclusive rights. They want regional autonomy, which could perhaps combine a number of regions.

[PROFIL] More and more Hungarians from Vojvodina are being expelled into emigration by the Serbs. Do you consider this a policy of ethnic cleansing?

[Jeszenszky] This is a great danger. It should not have happened in Bosnia, and God forbid that such a thing should happen in Vojvodina! Serbian and Yugoslav officials have stressed repeatedly that the security and rights of the Hungarians living there are guaranteed. However, as long as there is no peace in the former Yugoslavia, there is no guarantee for the rights of the Hungarians in Vojvodina. The Carrington plan, which envisages a good solution for the Serbs in Croatia, should also apply to non-Serbs in Serbia.

[PROFIL] The weak point of such plans has always been that there is no authority to implement them. Do you advocate the use of military force by the UN Security Council?

[Jeszenszky] When all other options are exhausted, I would advocate it, as a last resort under Article 7 of the UN Charter. So far, it has at best been possible to maintain ceasefires, not to preserve peace. Peace must be maintained in regions where it still exists. Vojvodina is such a region, and I am glad that at least CSCE observers have been sent there.

Jeszenszky Calls For Halt To War in Bosnia

LD2011170392 Budapest MTI in English 1617 GMT 20 Nov 92

[Text] Budapest, November 20 (MTI)—Hungary's Foreign Minister Geza Jeszenszky talked briefly on Friday [20 November] with Yugoslav Federal Foreign Minister Ilija Djukic, during his transit through Hungary.

Foreign Ministry spokesman Janos Herman told MTI that Jeszenszky had called an immediate stop to the war

in Bosnia, and stressed the responsibility of the Yugoslav federal government to press Serbian leaders in Bosnia to fully observe the cease-fire and settle the crisis through negotiations.

The start of dialogue between the Panic government and the Hungarian Democratic Federation of Vojvodina was termed by Jeszenszky as the first step taken in the right direction.

At the same time, he called for concrete measures to safeguard the security of ethnic Hungarians in Vojvodina, and to guarantee their individual and collective human rights.

Djukic said that the Yugoslav government had rejected attempts at changing the ethnic mix in Vojvodina.

The Yugoslav state needs the Hungarians of Vojvodina, considers them to be loyal citizens, and intends to ensure the individual and collective rights of the minorities, including Hungarians, he added.

According to Djukic, arrangements for exercising collective rights should be worked out following the democratic elections.

The Yugoslav foreign minister stressed the intention of enabling all refugees currently staying in Yugoslavia to return home, including the population that fled from Baran Nya.

Croatian-Hungarian Delegations Hold Talks

LD2011213092 Budapest MTI in English 1636 GMT 20 Nov 92

[Text] Zagreb, November 20 (MTI)—A six-party delegation of Hungarian MP's [members of parliament], headed by speaker Gyorgy Szabad, held talks with Croatian Parliament President Stipe Mesic and other parliamentary party officials.

Cooperation between the two legislatures will expand by mutual information on bills, regular consultation, joint work in multilateral organizations and inter-parliamentary committees. They agreed to jointly initiate the foundation of a Hungarian-Croatian and a Croatian-Hungarian group in the Inter-Parliamentary Union.

Mesic and Szabad also agreed that parliamentary cooperation should basically serve the creation of a law-governed state with a free-market economy. Szabad and his group met President Franjo Tudjman and Prime Minister Hrvoje Sarinic.

Antall Interviewed on Current Domestic Situation

LD2211232592 Budapest MTV Television Network in Hungarian 1830 GMT 22 Nov 92

[Interview with Hungarian Prime Minister Jozsef Antall by correspondent Elemer Csak; place and date not given; from the "This Week" program—live or recorded]

[Excerpts] [Csak] Several signs and reports have seemed to indicate that the Hungarian Government is trying to strengthen the country's military security simultaneously from both sides. Since admitting AWACS [airborne warning and control system] planes, there have been proposals to set up NATO rapid deployment units in Hungary. On the other hand, by offsetting Russian debts through arms deliveries, suddenly the Hungarian military budget has been doubled. To what extent are we actually threatened?

[Antall] Hungary has met all its disarmament and other obligations, and in the region and regarding our neighbors, the Hungarian Army belongs to the smallest armies. Thus, when we buy weapons or purchase arms, it serves to maintain this level.

[Csak] At all events perhaps the worries are not groundless, since we have met concepts that a new Little Entente should be forged against the so-called Hungarian great power aspirations.

[Antall] I do not believe a Little Entente might be formed here around Hungary. Today Hungary's system of relations in foreign politics and international affairs is stronger than ever and I do not think that during the past 500 years Hungary's security position could have been better than today.

[Csak] Hungary's one-time and present allies are farther away instead of direct neighbors.

[Antall] The most important thing is that in Europe and in this region NATO should be stable, and we should be connected to it in a proper form; obviously there is no question of joining NATO in the near future, but NATO and the Western European Union, as well as the European Community, might represent a certain kind of protection in several ways.

[Csak] The Gabcikovo barrage more and more seems to divide Slovakia and Hungary. The fact that the two countries have jointly appealed to The Hague Court—in your opinion, to what extent will it contribute to the possible solution?

[Antall] If we look at our legal stand then we must view as the most serious offense—using simple language—the fact that in 1989 Hungary stopped the construction in Nagymaros on the basis of the 1977 State Treaty and when Hungary no longer continued the construction of the entire Gabcikovo-Nagymaros system, then Czechoslovakia had the chance to take the matter to court and not just to simply continue building.

Hungary did not yet consider as ceased, and did not yet abrogate, the interstate agreement when in December 1991 the Slovaks began building the C variant. We see those horrifying pictures that were created in the Szigetkoez and that mean immeasurable damage to the environment, and the international organizations, international politics, realized only in the most recent period the extent of the problem it represents.

In light of the fire in Sarajevo and the crisis in Yugoslavia, a source of conflict in Eastern-Central Europe has attracted much more interest and indeed this is a situation involving the threat of conflict that we would like to resolve in any case by peaceful means.

[Csak] In connection with Yeltsin's visit please allow me to return to an agreement that I think is remarkable in the history of Russo-Hungarian relations. This is the so-called zero solution. Whose victory is this zero? Which side was most favored?

[Antall] Russia felt and was aware of it and Yeltsin is wise enough to have understood what the sojourn of Soviet troops meant to Hungary. This zero solution is outstanding in the sense that Russia had no similar agreement with Germany, Poland, and Czechoslovakia.

[Csak] What is the situation, and I would now speak of society, including pensioners, people with low incomes, those living on the subsistence level, and the unemployed?

[Antall] I would like to concentrate on one thing; namely, the poorer strata are constantly being frightened with the two tier value-added tax although the essence of the two tier value-added tax and this entire system is that taxes should be paid on the basis of the purchase, the turnover, and not on the basis of incomes because on the basis of incomes only the strata of wage earners, so only those strata are traceable whose legal incomes can be controlled. [passage omitted]

[Csak] Does this mean that on the side of withholding taxes the burdens will decrease?

[Antall] Naturally, at the same time, as they put it, an enterprise-friendly environment has to be created. Well, in the last resort I think this fits in the system of market economy. One thing is certain, it is impossible to introduce a decent system of taxation without discipline, and once it happens with total openness, the merchant or retailer asks if you want it with or without a receipt and in that case it costs so much more or so much less. This obviously decreases the revenue and if it does so then it will increase the deficit of the budget. The country has to understand that in the budget everybody would like to rely on the side of expenses.

We have just spoken of the Army. Nobody would enjoy it if Hungary were defenseless and exposed. Nobody would like the lack of public order, consequently, police are needed. Everybody speaks out for subsidized health care because health care is inconceivable without state subsidies anywhere in the world nowadays. Furthermore, education is inconceivable without subsidies of the budget either, therefore, everything on which a modern society rests is a burden to the side of expenses in the budget.

[Csak] Prime minister, you ask for understanding and I think this is understandable from your side. Yet, what kind of means are available for the government to meet the demands and requirements of the most impatient groups of the population?

[Antall] The most important thing is that as many investments be implemented as possible and new plans concerning infrastucture, construction, transport, etc. that will absorb unemployment. We have to deal with unemployment as a real problem that is not a pastime for people, despite the fact that we know that in villages and everywhere else there are unemployed people who would have the chance to work. It would be good if this fact were compared to the previous state of affairs. It is not harmful to bear in mind the black trains [commuters of northeastern Hungary, mostly gypsies] in connection with the regions of unemployment. People had to leave those regions where unemployment is largest today and people had to work elsewhere and from many points of view this was not greatly to the advantage of Hungarian society.

This year we can reckon with an unemployment rate of 6-700,000. This may increase during the course of the next year. After that it will gradually decrease. Nevertheless, I would mention that if we compare the East European region, for instance, Germany, in those eastern provinces that had made up the GDR unemployment is manyfold in comparison to Hungarian unemployment, and in Germany where annually 150 or 160 billion German marks are being pumped into the economy, infrastructure, yet, such proportions do exist. Some countries are even ahead of it and stagnate.

Socialist Party Chairman on Political Situation

AU1911195392 Budapest NEPSZABADSAG in Hungarian 18 Nov 92 pp 1,4

[Unattributed report: "MSZP Chairman Gyula Horn: We Need a Six-Party Consensus"]

[Excerpts] On 17 November, our correspondent interviewed Gyula Horn, chairman of the Hungarian Socialist Party [MSZP], on the situation in the party and domestic political tensions. [passage omitted]

The latest statement of Prime Minister Antall created a stir when he said that the leftists who have been "salvaged" present a threat of change. We asked Horn's view on this.

Horn said: "This statement of Antall is not new because they have shown concern about us for months now—an honor for us—although its form is not always flattering." Horn added that, in connection with the latest statement, the question can be raised whether the government is planning to overhaul the state administration and the areas where it has a decisive influence. This possibility can create uncertainty in the state machinery that has already lost its confidence. "Scaring people with the left wing is clearly connected to the failure of the government. The fact that they have not supplied any proofs is thought-provoking. I would very much like the

representatives of the government parties to obey the rules of European politics and not to confuse the extreme left with the left wing."

Answering the question whether the left was inclined to confuse the right wing with the extreme right, Horn said that the MSZP recognized the legitimacy of the right wing but, unfortunately, prominent representatives of the extreme right and their teams could be found in the immediate vicinity of the right.

In connection with this, he spoke with concern about the weakness of the main government party because it appears to be allowing itself to be swept by events. Answering our question whether he was reassured by the prime minister's statement on his party being a central party, he said that this did not depend on statements. The view that the Hungarian Democratic Forum is unpredictable is reflected in the attitude of the foreign partners and the reduced international prestige of the country. Precisely because of the changed power structure, in certain respects, 1993 will be similar to 1989: At that time, the change of the regime was the issue, while now it is the handling of the deepening crisis. "This is why it is necessary for the six parties to agree on a minimum compromise that will facilitate keeping the crisis within limits."

We asked: "In the television report on the congress of the Alliance of Free Democrats [SZDSZ], you could be seen sitting next to [Independent Deputy] Jozsef Torgyan, among the guests. What sort of feelings did you have watching the events?"

Horn answered: "In addition to Jozsef Torgyan, [Independent Smallholders Party Deputy] Sandor Olah, and others were also sitting there. I liked the atmosphere of the meeting, and it justified the view that the currently biggest opposition party was putting great efforts into strengthening its internal unity."

Horn spoke with the greatest respect about the way [Former Chairman] Peter Tolgyessy acknowledged his defeat and assured the new chairman and the party of his continued intention to work constructively with them, which "was appropriate for European political culture." Answering the question whether he considered the SZDSZ as an ally, Horn said that a social-liberal government would probably benefit the country, but it was not on the agenda at the moment. The MSZP is not starting a preliminary election campaign; instead, it wants to prevent the deepening of the crisis. [passage omitted]

In the course of the interview, Horn repeatedly returned to the issue of ensuring the country's stability. He said that foreign policy should also serve this and that we should make more brave initiatives. According to Horn, it would be expedient for Hungary to initiate the establishment of a new type of relations with neighboring countries. Hungary could announce that it does not wish to contest the sovereignty of any country or to change the borders either now or in the future. On the other hand, neighboring countries would undertake an agreement to ensure the individual and collective rights of Hungarians living there. "I have reason to believe that our Western partners would also welcome such an initiative," Horn concluded.

Last Round of EFTA Talks Scheduled for Dec

LD2211192092 Budapest MTI in English 1842 GMT 22 Nov 92

[Text] Budapest, November 22 (MTI)—The next, and presumably last round of talks between Hungary and the European Free Trade Association (EFTA) will be held in the first half of December, an expert of the Ministry of International Economic Relations, Peter Balas, told MTI. An agreement was reached with the international organization in most issues regarding the free trade of industrial products. If bilateral agricultural coordination talks with the individual member countries are also successful, the free trade agreement could be signed in mid-December. At present, the talks with the EFTA are still pending in three issues: The measures that could be taken to protect Hungarian industry, the trade of fishing products, and trade of processed products. It is both in the interest of, and the intention of Hungary, for the agreement to be concluded this year, the expert said.

Skubiszewski Views Visit to Slovenia as 'Important'

LD2211223492 Warsaw PAP in English 2212 GMT 22 Nov 92

[Text] Warsaw, Nov. 22—Polish Foreign Minister Krzysztof Skubiszewski termed his visit to Slovenia that ended Sunday [22 November] as "important." He told journalists after his arrival in Warsaw that, although established some time ago, Polish-Slovenian relations should be organized almost in all areas. Minister Skubiszewski said that there was a need for "more regular political cooperation" of both states. He stated that "as regards economic cooperation, Poland is ready to start talks with Slovenia on a free trade zone." "We discussed extensively the situation in former Yugoslavia, particularly in Bosnia and Hercegovina," he added.

Damage by Departing Russian Forces Assessed

PM1911151492 Wroclaw SLOWO POLSKIE in Polish 4 Nov 92 p 4

[Article by Tomasz Kowalik: "Ecological Damage Caused by Military: Separation Monitored"]

[Text] After the signing, in May this year, of the bilateral documents of an agreement entitled: "On the Settlement of Property, Financial, and Other Matters Connected with the Withdrawal of the Russian Federation Armed Forces From Polish Territories," 237 inspectors of the State Ecological Protection Inspectorate [PIOS] began a round of ecological monitoring of military facilities, designed to record all ecological damage caused by the military presence—in other words, the results of the stationing of the Russian Federation Armed Forces in several dozen military bases and training grounds.

The extent of the damage is best exemplified by the case of the parish of Stara Kopernia in Zielona Gora Voivodship, where the monitoring operations revealed more than 1.2 million cubic meters of heavily contaminated soil over an area of 41 hectares, with the costs of soil reclamation estimated at 1.7 trillion złotys [Z]. In the parish of Szprotawa, the costs of reclaiming the contaminated soil over an area of 16 hectares were estimated at more than Z488 billion.

The work of PIOS inspectors, begun in June, is still under way, since the extent of the damage is very considerable. The inspectors record the current condition of the natural environment and the contaminated areas that then require specialist monitoring operations. There have been some unexpected finds, such as that recorded at the Russian Federation Army's unit in Wroclaw, where the inspectors found a radioactive cube used in military exercises. It was then necessary to collect the "find" together with the surrounding rubble and to hand it over to experts who prepared it for safe removal to Russia. Moreover, it was necessary to escort the entire cargo all the way to the Polish border.

The above was just one case among all operations recently carried out by PIOS inspectors. Environmental monitoring reports are an integral element of the sets of necessary documents that accompany the operation of handing over military facilities to relevant Polish authorities.

However, implementation of the provisions of the aforementioned May agreement is not going entirely smoothly. Polish inspectors are still encountering difficulties while checking out army barracks sites and other facilities used by military units such as firing ranges, outdoor training grounds, and so on. In some cases, they uncovered—and foiled—attempts at unjustified removal of various materials and even specialized equipment from former military sites. In one case, a major disaster was averted thanks to their expertise and vigilance: They discovered caches of chemical waste materials buried by soldiers of the Russian Federation Armed Forces on the site of the military airport at Krzywa in Legnica Voivodship. Subsequent analyses showed considerable soil pollution with quantities of airplane fuel, diesel oil, and detergents. The case is being investigated by the Garrison Prosecutor's Office in Wroclaw.

All in all, the environmental damage found on and around the sites of many military units, army training grounds, and shooting ranges in the four months that passed since PIOS inspectors began their work has been estimated at Z3.3 trillion. And the inspectors' work is far from completed. Experts from the Military Technical Academy and regional State Forestry Boards are assessing the extent of environmental damage to forests. This is mainly the result of extensive site contamination by oil-derived products (on eight large sites), pollution of surface and subsurface waters, contamination by chemical warfare agents, destruction of trees and contamination of soil, and even radioactive site contamination.

The investigation into and assessment of the present condition of the natural environment are still under way and, according to the timetable prepared by the PIOS Monitoring Team, this work will continue until the end of June 1993. A special concluding report will present the full extent of the environmental damage and associated problems, as well as a range of proposed methods of environmental reclamation of the sites in question and the estimated costs of such restorative operations. On a number of sites where PIOS inspectors have already completed the work of preparing inventories of existing facilities and assessing their condition and the extent of environmental damage caused by their use for military purposes, specialist teams are even now beginning to launch operations designed to repair some of the damage and reclaim the natural environment wherever possible. These operations include reforestation, restoration of the road network, and removal of waste metal, rubble, and other environmentally polluting materials.

Walesa Expresses Views on Phone-In Program

LD1811205892

[Editorial Report] Warsaw Radio Warszawa Network in Polish at 0803 GMT on 18 November carries a live phone-in program in which President Lech Walesa is interviewed by three program presenters and then by listeners. No video is available. The first question by a program presenter is about Walesa's signing the Small [Interim] Constitution yesterday in view of his previous doubts about it. Walesa replies: "I had doubts and I have doubts because it is not drawn up in my opinion in the way we ought to have fixed the relationship between the highest state bodies. But that is another matter. The first is the one, which was decisive, that is that more effective government was necessary. Now the government really obtains many arguments for more effective government and that decided that this Small Constitution should be swiftly signed." At this point reception becomes poor.

A program presenter says that there are various opinions as to whether the president has something to lose or not by signing the Small Constitution. The government certainly gains.

Walesa responds: "The president loses and it's a bad thing that he loses, but the country's interest requires that we leave that to be considered in the Large [new] Constitution. In the large one I think I'll make up for that because it will be necessary. Today the government gains, it gains above all, as I say, effectiveness and..." At this point recepiton becomes poor.

Walesa is then asked about his Charter of Rights and Freedom, and whether it is supposed to be some kind of substitute before a new constitution is passed.

Walesa says: "You have to remember that the Small Constitution above all regulates the relationship between the highest authorities, and it doesn't really give anything directly to the nation." Reception again becomes poor. Walesa is heard saying: "...and that's why seeing these great gaps, I am already pointing them out now, that above all everything is for the citizen. Conditions should be created for him. I know that you can have objections to various points or gaps in the Charter of Rights and Freedom, but we should think in this direction so that above all the simple and individual citizen has some gain."

Walesa then has questions put to him by striking workers from the aircraft factory in Mielec, and also from the Starachowice transport works. They ask him why he did not come personally to see them, or meet Solidarity, and why he did not show more interest in their plight and why no decisions were being made concerning the future of these enterprises. Walesa says he did not have the time to do all the things he wanted, but said that he would intervene. He then went on to say: "However, I think that all these questions, pertinent questions, questions with problems, do not bear in mind one thing, that after all we have really made an enormous storm. We are really changing the system, we are in a post-war situation, a great war, that we are changing the system brought in by tanks to a normal system, and it has a price. I know there is a lot of injustice, that we are not capable of doing many things, but I know that we must be aware of the fact that (?we have no choice), and that a greater involvement is necessary so that we can cope with all this. The question is whether we can cope around a table, whether we'll cope talking about, looking for solutions, or whether we have to go out on the streets and burn down a few towns.

"The authorities today, together with the president and government want to solve those problems. However, their scale is so enormous that at the moment we're not coping with all of this. But again today we can say briefly, what I have said again and again many times, really today our revolution has meant that one third of the nation really lives as in the West, it is really prospering well, very well. The next third is a bit better off than before our revolution, and there remains another third, which is far worse off than before our revolution. That is why it is my desire and aim for those cracks that have been created—which are a normal thing in an abnormal situation—to move from these cracks to motivating that one third, so that that one third can get itself going and make a contribution. Then we'll all live better."

Next Walesa answers questions about his attitude toward crime and the old nomenklatura, why he had no program as president, and how he saw his role. He emphasizes that Poles must take issues into their own hands, that there is a need for grass root initiatives and activity, and that they must not expect everything to be solved for them. He says that he had arranged money and credits for Poland, "but you don't know how to use this money." At this point reception becomes poor.

Some listeners claim that too much time was spent on the abortion issue when there were other more important national issues to be dealt with. Walesa says he was opposed to a referendum on the abortion issue and would never sign an abortion law.

Walesa is asked a question from a listener in Szczecin about plans in Germany to build new fast rail links and new highways, and whether Poland should not also have a similar program. Walesa is asked if he can use his influence to see that no disproportions arise.

Walesa replies: "Naturally I will do everything in this direction for Europe to unite, so there won't be any differences, but I am convinced about something else, that trade and development will be regional, that it will proceed further, that this is the logic of economics of the 21st century. Naturally, except that now we must arrange many things beforehand, normalize them, cleanse them, and this means that certain wise and logical solutions don't exist today, but we'll have them tomorrow."

A program presenter then recalls Poles' fears in relation to Germany. Walesa responds: "We are living at the

junction of two ages, the one that remembers the old things, the subjugation, the battles, and naturally also the other one that says that that kind of development of events is no longer probable, that now people cannot think in that manner, that today it suffices to have a nuclear power station, and no one can attack you as the whole of Europe would die, (?perhaps its enough) to have those various chemicals. And therefore that kind of process of conquest will be impossible.

"There will be economic expansion. We are in a very uncomfortable situation, where we are poor, to put it briefly. But we make that up, however, by preparing ourselves well for doing business and today (?more) is lost, but I believe in the wisdom of the nation and believe that we will recoup our losses economically when other conditions exist."

Walesa next answers questions concerning his methods, saying that he does not want to be a dictator and respects democracy. A program presenter then refers to a recent article by Adam Michnik in GAZETA WYBORCZA, contending that Walesa is losing his charisma. Walesa replies: "No, Adam Michnik either by his stupidity or, I don't know, his spite, has forgotten about one thing: after all I didn't fight with Adam Michnik, with Mazowiecki and that government. Only five times before I started to run for election, five times I said: People, we must change the president because there's going to be a putsch in Moscow. Things have to be different, but you stay where you are and we'll bring about the elections. They surrendered, they withdrew, they didn't want to cooperate, they didn't want acceleration, and now they pretend to be phenomenal.

"Adam has forgotten about this, or I don't know, he didn't know, but he took part in the talks."

Walesa is then asked about the role of the IMF in Poland's economy, and whether Poland is under a foreign dictatorship.

Walesa replies: "If we want to join anything, if we want to participate in anything, we must have similar principles, similar rules, and thus it isn't a dictate; this is saying that with us you do things as quick as you can, if you want to be in this group you must move as fast as you can, and those are the principles that some people take to be a dictate. We could certainly say we don't want to, and then we won't be bound by those principles, but some people (?understand) the process as a dictate: it can be called that (?in other words). Do we want general security? We do. Do we want to be like America? We do. Then we must apply the same principles and those principles are the IMF proposal, the solutions [word indistinct] and others."

Walesa is then asked if he has another candidate for the presidency and whether he would run in the next elections. He replies: "I don't know whether I'm going to run; a lot of water will flow under the bridge before then. I know that Poland in this five-year period will carry through the reforms; I know that no one threatens destabilization and peace; I know that I'll cope with this despite the fact that I see all the wrongs, only I must shake the nation to demand what is necessary from the right people and to [word indistinct] the correct work and results."

A program presenter says: "Shake up the nation, that worries me a bit," to which Walesa says: "(?Even) shake up the nation. Look at the presidents of towns, the parish elders, the mayors—they're the ones who are leading you badly. And they say it's the president."

Walesa then goes on to say that many groups have no idea how difficult governing is and what problems are involved. He again stresses that people should take the initiative themselves.

The program ends on a personal family note with excerpts from a gala ballet in which Walesa's daughter performed on Sunday. The final question asks if Walesa feels satisfied. He says he knows more can be done, he is trying and is not satisfied with this. A lot, however, had been achieved, but hard work is necessary, he says in conclusion.

Association Agreement With EC Reached

AU1711204592 Bucharest ROMPRES in English 1923 GMT 17 Nov 92

[Text] Brussels, ROMPRES 17/11/1992—The agreement on association between the EC and Romania was sealed Tuesday, November 17 in Brussels after having been discussed in several bilateral negotiation rounds. The ceremony was attended by senior officials of the acting Council of European Communities [as received], of the leading EC Commission departments, by members of permanent missions of the Twelve in Brussels, by Daniel Suggenbuhl, head of the Foreign Relations Department under the EC, and Napoleon Pop, secretary of state at the Ministry of Trade and Tourism of Romania.

Romania is the fourth East European country after Poland, Hungary and Czechoslovakia that gets the significant status of "associate with the EC."

Value of U.S. Support for East Europe Stressed

AU2011163392 Bucharest ROMANIA LIBERA in Romanian 18 Nov 92 p 8

[Article by Corneliu Vlad: "A Year Without the U.S. in East Europe"]

[Text] So the third installment of the IMF loan for Romania is going to materialize. This is an opportunity to discuss the future relations of the United States with this part of the world in general. We will start with a remark by the German political scientist Jochen Thies, one of the managers of the very important bimonthly in the area of international activity, the EUROPA ARCHIV, who seems to think that he knows that "along with the change of the administration as a result of Bill Clinton's election, the United States will probably not play an active role in East Europe in the coming 12 months or so."

Such a remark, if it proves to be true, could cause a shock among the supporters of democracy and reform in the East European countries. They are disappointed in any case by the less than expected support by the Bush administration for the changes in the wake of the overthrow of the communist regimes. In their opinion, there was not sufficient political support, let alone enough moral and especially economic support. The Americans were constantly being criticized for not launching another Marshall Plan to help establish viable market economies in these countries by using at least part of the funds made available through cuts in defense spending following the reduction of East-West military confrontation.

Many east Europeans also criticize the United States because it continues to consider them as second-rate Europeans, who are still not prepared (or incapable?) to understand and fathom the values of democracy. These east Europeans are becoming more and more frustrated, not only because of the tremendous difficulties they are encountering in their societies during the hardships brought about by the transition period, but especially when they note an obvious and significant return to the political arena—practically in each of these countries—of the left, that is the former communist forces, wearing either a social-democratic cloak or carrying the banner of intolerant and even aggressive nationalism. At precisely such a critical time, U.S. support would have been of great benefit.

True, the foreign policy priorities of the new administration, as outlined by the new President in his speeches and by his aides in statements, as well as in press commentaries, hardly included East Europe. At one point, there was also the fear that, in proposing to focus on U.S. domestic issues, the Clinton administration would be moving toward a new isolationist policy. However, it would be naive to believe that the Clinton team might ignore—albeit only during the first year of its activity—the situation in East Europe. This would not match the views of the new President, who wants his country to continue to be the greatest military power in the world.

The other day, a sharp post-war U.S. diplomatic mind, Mrs. Jeanne Kirkpatrick, advised the new young President not to rank foreign policy issues second. In this respect, she commented that if there is something positive, people do not seem to pay great attention, while, on the other hand, something bad may lead to a catastrophe. Among the areas of special interest,which call for sustained attention, she took the liberty also of recommending East Europe. Anyhow, a one-year "American vacation" in this area would be impossible.

Vacaroiu Cites Reform, Other Goals at Inauguration

AU2111161092 Bucharest Radio Romania Network in Romanian 1546 GMT 20 Nov 92

[Speech by Prime Minister Nicolae Vacaroiu at cabinet inauguration ceremony in Bucharest on 20 November—live]

[Text] Mr. President, Mr. Speaker of the Assembly of Deputies, Mr. President of the Constitutional Chamber, Messrs. Vice Presidents and Ministers, Ladies and Gentlemen:

On this solemn occasion, allow me to begin by thanking you for the trust placed in me and to express my determination and the government team's resolution to make full use of all our professional skills and energy to prevail in this difficult period. Our strategic goals focus on continuation of the reform program, which, nevertheless, must proceed in an organized manner in all respects in economic matters and in other areas. Likewise, we must continue resolutely with the privatization process and the overall consolidation of democracy. This is not an easy period, but we are resolved to succeed, which is only possible if we enjoy the assistance of you and everyone else.

I can tell you that after obtaining parliamentary endorsement, the governmental team and I held a very good meeting. We mapped out a few strategic guidelines for the near future. During the next two to three months, we are determined to present a complete and detailed program of policies, solutions, and precise deadlines for the entire four-year period. I would like to add that we rely a lot on your support and on cooperation with parliament, other institutions, the trade union and employers organization, and last but not least, the experts throughout the country.

Our top priorities refer to the next three to four months, which we intend to complete without worsening the standard of living. We will examine the situation and do everything we can to achieve this goal. As you know, we are engaged in a process of negotiations, which will undoubtedly lead to certain price increases, both for industrial commodities and consumer goods. We will have to closely follow this process, become involved in it, and supervise the entire price negotiation effort in order to know its effect on incomes. We must demonstrate openness, tell the truth, and take the necessary steps to achieve our targets.

Concurrently with developing the detailed strategy for the next four years, we will speed completion of certain very complex activities, such as those connected with the fall agricultural campaign, which still require certain corrections. It is not enough to deal merely with plowing and planting activities; we must also ensure the necessary quantities of fertilizers and prevent a repetition next year of the situation of the past two years when we had to import wheat. Of course, we will also prepare the rectified 1992 budget and the 1993 budget, which will then be submitted to parliament. We hope to be able to present improved draft budgets, which can ensure greater autonomy, particularly for the local governments.

Therefore, the targets are numerous and complex. I mentioned them all in the report. We will have to work out a detailed plan for their application and implementation. We are determined to do that.

At the same time, as I have already said on other occasions, we will strive intensely to consolidate our relations with all countries, primarily the United States, Germany, England, France, and some other countries. We will give priority to consolidating and concluding the efforts for our integration into the European Community.

Of course, this is a period which we wish to complete as smoothly as possible. Nevertheless, we are aware that there will be ups and downs. It will not be all that easy. Of course, we are going to be criticized. We will be receptive to justifiable criticism, particularly if it is constructive and contains good and viable solutions. We will do that. We are not afraid of such confrontations. You saw that there have been plenty of negative votes in the Parliament, they will only strengthen our resolution. The draft laws or other matters that we submit to parliament will be corroborated and substantiated properly through continuous dialogue with all the experts.

I thank you once more for the trust placed in me. I wish you all good health. [applause]

Explains New Government's Priorities

AU2311113792 Bucharest Radio Romania Network in Romanian 0811 GMT 23 Nov 92

[Text] First of all, I would like to greet everyone who is attending this news conference and I would like to apologize for the slight delay. Of course, I would have liked to hold this news conference even earlier than today, but it was impossible, since we have been very busy over these last days. As I have already said on other occasions, the time we have been given to set up the new government team, draw up our report, and adopt certain immediate measures that are needed in the near future has been extremely short.

I would like to tell you that everything the government has set itself as a goal for the next few months, in 1993, and over the four years of our government, those strategic targets have not been chosen at random. They are rather the result of serious consideration and will serve as a basis for the program for the detailed four year strategic governing program to be drawn up by us within the next two or three months.

I would also like to tell you that our work will not concentrate solely on economical problems, but will also try to deal with every other aspect of our economic and social life. Thus, besides economic issues, which, admittedly, we consider fundamental for the continuation of the whole reform because we ought to have a fully operating economy, our program will also try to improve circumstances in culture, education, health care, and in social protection. We will not ignore any of those subsystems—as we call them—of the reform.

I would like to highlight the fact that the government team has elaborated its whole strategy by setting out from the basic idea that the reform ought to be continued. However, as I have already mentioned, we want to achieve that in a coherent way, without slackening the pace of the reform, with everything that that implies. While taking the necessary steps to ensure the material base in the economic sector, we will also adopt measures to continue the general process of privatization. Those are very complex issues that cannot be dealt with in five or six days. It takes time but I can also tell you that we have already begun the very rapid process of installing the new ministers. That process will probably be completed by 25 November at noon. I have already been this morning to the Ministry of Finance and I have installed secretary of state Florin Georgescu. I have also been to the Ministry of Labor and Social Protection where I have installed State Minister Dan Mircea Popescu [as heard]. After this news conference I will continue to install the appointed persons in another two or three ministries. Our most important task at the moment is to make the

ministries fully operational again thus eliminating all uncertainty, while possible structural changes at the ministries are to be carried out within 10 to 12 days.

The main issues we are going to tackle first will be discussed during the government meeting on 25 November and I can already point them out to you: The first will be the examination of the situation in price negotiations. As you may know, as a result of Decision No. 412 of the former government, the action of price negotiations is about to be activated. Such negotiations will naturally lead to a considerable increase of all prices, in certain cases they will even exceed the limits included in the mentioned decision. Under such circumstances, the indexation commission is to hold talks today with the trade unions, after which it is to brief the government meeting on Wednesday on the planned price increase related to the population's income so that we can take the necessary compensation measures concerning the indexation of salaries and other income categories. As I have already said, we will give special attention to the most disadvantaged social groups that are already living below the minimum subsistence level, although actually we have not officially established yet what that level is. But we will establish it and publish it.

The second issue to be discussed concerns the situation of the basic products needed by the population over the next winter. We have already discussed that issue and will probably go into more detail during the government meeting on Wednesday, during which we may decide to introduce a tax exemption valid over the next three or four months for the basic commodities needed by the population, such as powder milk, butter, diary products, and other such staples. I don't want anyone to consider such decisions as populist measures, as they are aimed solely at ensuring additional resources to supplement whatever we will do from our available hard currency reserves. We have already elaborated a program, a list of necessary measures to ensure all those products—first of all from internal sources—but there are certain issues which are not covered yet. We hope that the private sector, which will also import such products, will offer tougher competition with respect to what the state is to undertake within its government programs, competition that could also result in the reduction of the prices of those products. Anyway, we will have to ensure the products that are necessary for the population over the winter period, no matter how we do it.

Of course, the number of problems we have to tackle immediately is much larger. I can openly state that the main problem is ensuring fuel and energy resources. We are encountering difficulties in ensuring fuel oil stocks. I have already ordered an assessment of the exact situation in that field because a great number of divergent figures has been circulated, so we have to check them and find out specifically what stocks we can really rely on, and then we will certainly have to find solutions to overcome the current period. We have to avoid an energy crisis that would lead to a further reduction in production. On the contrary, we will have to see to it that production increases, as we have promised, and we will take the necessary steps in order to achieve that.

Last but not least, we have also proposed that measures should be taken to strengthen control over the administration of state-owned companies. I would like to tell you openly that the state, in its capacity as owner, must play a more active role in the whole reform process. In this process of transition toward a market economy, in the setting up of the market economy, the process of privatization is not a spontaneous but rather a guided one. Our first concern concerns the elaboration of the so-called management contract, which presupposes the establishment of certain performance criteria that ought to be observed by the executive bodies of the state-owned and mainly state-owned companies. That is not an easy task. We have already drawn up several variants, and we will publish them after we make a decision. We will have to find a way to make goods production begin to function again. We have good prospects of invigorating exports, which is a positive thing. We cannot afford to fail there, because it is very difficult to conquer foreign markets. At the same time, as I have said, we will make efforts to increase cooperation with all countries, including our neighbors. We will direct our main attention toward the country where our economy could find markets.

We will also have to find the necessary financial resources to ensure the further development of economy. The development of the economy will result in sufficient financial resources flowing into the state budget that will allow for the continuation of reform in other sectors, as I said, in education, culture, health, and so on.

As you can see, the government has not been idle since it took office. Of course, the government will only be able to function at full speed after the restructuring of the ministries and the reorganization of the government itself that I have mentioned because we wish to achieve that as well. We would like to carry out certain changes, mainly in the structure of the office of the prime minister and of the government secretary-general, aiming to make our whole activity more dynamic.

Allow me to conclude now. I am looking forward to your questions. There are several ministers of state here with whom you now have the opportunity to get acquainted, and I would also like you to ask them directly about the issues for which they are responsible.

Finally, I would like to reassure you once more that we have pledged to work with maximum openness. You will be able to see everything we do, we will publish everything, and we will always be open to dialogue. I am truly relying on your support, as I really consider that a great help.

Thank you very much.

Vacaroiu Program Discussed at News Conference

AU1911203892 Bucharest ROMPRES in English 1904 GMT 19 Nov 92

[Text] Bucharest, ROMPRES, 19/11/1992—Vacaroiu cabinet should have an aggressive attitude to advance on the road of reform, stated the leader of the National Salvation Front (FSN), Petre Roman, at a news conference that party held on November 19.

Surveying the governing programme Premier Designate Nicolae Vacaroiu submitted to Romania's Parliament for debate, and referring to the way in which he answered the questions he was asked and to the pieces of criticism brought to him, Petre Roman specified that FSN doubtlessly backed the few elements of the programme related to the continuation and amplification of reform, real openness to privatisation and modernization of the financial-banking mechanism. Unfortunately we could assist to groundless reproaches, he said.

Referring to the present corruption in Romania, Mr. Roman said there was a mafia inherited from the past regime, which could better settle in the particularly necessary conditions for economic liberties created now.

President Iliescu Addresses New Cabinet

AU2011194092 Bucharest Radio Romania Network in Romanian 1532 GMT 20 Nov 92

[Speech by President Ion Iliescu at Cotroceni Palace in Bucharest—live]

[Text] Mr. Prime Minister, Esteemed Presidents [of the parliamentary chambers], Ladies, and Gentlemen:

Please allow me to first congratulate the new cabinet—each of the ministers—for the investiture you have received today and for the confidence you have been given by Romania's parliament. I would like to wish you much success in the difficult mission you have assumed.

We all know the circumstances under which this cabinet has been set up. This cabinet mirrors the political structure of parliament and the choice of the Romanian electorate.

Considering the period we are currently going through and the difficulties in our economic, social, and political life of our country, the first efforts I made were meant to find a consensus among the various political forces to set up a coalition government with the possibly largest spectrum. Actually, I set out from the idea of reaching a national union, because I thought that such a thing would be possible in these moments of maximum strain, great efforts, and concentration of our creative abilities over the current difficult period.

You all know very well how those negotiations ended. I do not want to indulge in assessing the restraint manifested by certain political forces in assuming responsibility under the current difficult circumstances. In my opinion, accusations saying that the negotiations have been a suppression of democracy and the elimination of the opposition as a necessary element of democracy, are totally groundless. Nevertheless, I would not like to further discuss that issue.

I subsequently tried to achieve various coalition formulas because I was convinced that a unification of efforts would be purposeful and necessary in such difficult moments. I made various attempts. The problem was that none of our parties clearly won the elections; one of them obtained the most votes—but that is an entirely different matter—thus obtaining the largest representation in parliament. I also tried to achieve a political pact—a political understanding among all the parties—which was meant to function as a minimal platform of understanding and political solidarity of all the political forces with respect to the persons who assume political responsibility in such difficult times for our country. As you may know, negotiations to conclude such a pact have also failed.

Thus, the only solution left was that the political party that obtained the relative majority of votes should assume the political responsibility of setting up the government. I consider it totally unfair that—under such circumstances, when that party is assuming responsibility—provisions should be made concerning the way in which it should select the cabinet members.

The aforementioned political group—the Democratic National Salvation Front [FDSN]—has negotiated with the other parties, and it ended up setting up a government, by which it assumes the whole responsibility. To set up that cabinet, FDSN resorted to the personalities it considered the most suitable. Some people have tried to assess whether the cabinet has a political or a nonpolitical character. Well, regardless of its structure, there is no government in this world that could possibly be nonpolitical. Governing is an eminently political activity, and besides, if a political group vouches for a cabinet, this means that it also assumes full responsibility.

I have mentioned all this with the intention of briefly commenting on certain discussions in parliament, without aiming to indulge into dispute with anyone, but rather to suggest to the newly sworn-in cabinet to ponder all recommendations, proposals, and critical suggestions that have been expressed in Parliament while elaborating its activity plan, while implementing it, and while taking the necessary steps to do so. I recommend the cabinet that it should ignore such provocative elements—which are bound to emerge during any political dispute, because, as you can see in the case of almost all parliaments, democratic struggle is very often a passionate one—so one should not let oneself be dragged into it, one should try discover the rational essence of all criticism in order to be able to use it in the elaboration of a most efficient government program.

Above all, the cabinet should tend to the affairs of the country and satisfy the needs of the population. We are

passing through very hard times, the first months of ruling will be difficult because winter is coming, and that raises special problems. As far as I know, the current situation in our stocks and resources—I mean the energy resources, the possibilities to ensure food staples for the winter, and the situation regarding sowing for next spring —is not worse than in the previous year. As a matter of fact, the situation is even better, more promising in several fields, which is a premise for the governmental team to work efficiently and obtain good results.

Nevertheless, there is a large number of other great problems—in the economic activity, in manufacturing—many companies are financially blocked, there is inflation, unemployment, and other hardships that are imposing on vast categories of our country's citizens. The cabinet should grant priority to these issues beginning with the first days of its activity, after it has concluded setting up each ministerial team.

Second, the cabinet should elaborate the state budget for 1993 as soon as possible, including all measures that are necessary to ensure the most coherent functioning of our economy over the next year and measures that are able to put an end to the regression of the production activity and to bring the economy back to normal.

Finally, the cabinet has to elaborate a program designed for the whole four-year legislative period, with respect to the continuation of the political and economic reform process, the strengthening of the process of democratization in society, the consolidation of the levers of the state of law, and foremost, the development of the economic reform together with all the implicit elements.

Today I witnessed a very important moment: the opening of the commodity stock exchange market, which is an essential institution in any market economy.

The economic reform program should include all three of its basic elements: the appropriate legislation, the institutional structures characteristic to market economy, and the levers, the mechanism needed to develop market economy. All this is a process that requires great efforts, and it probably cannot even be completed in four years. I have heard various opinions concerning that task, but I think it is unfair to demand that the government party should adopt programmatic ideas belonging to other political groupings. However, this is another aspect marking the polemic character of dispute. The government's program has to stand on its own, and I think that the blueprint presented by the new cabinet does not contradict the program of the ruling party—the FDSN—at all; neither does it refute the electoral program and message delivered by Romania's president. Of course, there will be certain dissimilarities between the program presented to the electorate by any political party and the concrete government program of a cabinet that is trying to practically tackle the current problems of economic and political administration of a country. Such inconsistency in nuances—and not in essence—are only natural, I think.

Thus, the cabinet has to solve a huge mass of problems; it has to make joint efforts while carrying out its activity, proving that it is really a governmental team that has a consistent policy in every field: in its policy concerning interior and foreign affairs, in economy, and in the social, cultural, and spiritual life of the country. The concrete activity of the government has to enclose each and every element of our social life.

I hope that the political opposition will manifest a constructive attitude, as it has promised both during direct talks with me and during parliamentary debates. The criticism coming from the opposition is useful and necessary, provided it has a truly constructive basis. Only such criticism can be useful for the country. I think that the opposition's responsibility is as important as that of the government if we want to really solve the great problems of the country. I hope that we can establish a civilized atmosphere in which we can cooperate a have a permanent dialogue within the government, the political party that has assumed the responsibility of governing, and the opposition. I hope that we will all be able to regard our parliament as a serious institution that is held responsible by the citizens of our country.

I also appeal to the citizens of the country to try to understand the difficulties facing the government of the country, the hardships our country is currently passing through, and to grant the government the understanding it needs to do whatever needs to be done. I also appeal to the other groups, to the trade unions, to show understanding and civic spirit. In such hard times it is not difficult to launch protest actions and thus disturb social activity, but the question is whether such protests are really efficient, whether they help solve the problems of the country. In this respect, the trade unions should become true partners of the employers and of the government in tackling and solving social problems. As a matter of fact, it is the government's duty to elaborate—in parallel with the long-term strategy of the economic development—a coherent social protection program, which should include the future activity of both the government and those of other forces acting in social life.

I would also like to thank the outgoing cabinet, which was also compelled to act under difficult circumstances. Politically speaking, it was a coalition government and as such it has encountered certain hardships in setting up a consistent team. Nevertheless, the work done by that cabinet has still proved that a team consisting of representatives of five political parties can really cooperate. Beyond certain problems and certain inconsistency in its government, I would like to highlight the great efforts made by that team, the results it managed to achieve. While solving our manifold problems and establishing a certain atmosphere of quietness in the country, it has also organized local and parliamentary elections.

I would like the transition—the briefing of the new ministers on current affairs—to be made as correctly and briefly as possible, so that the new governmental team can really begin exerting its attributions.

Once more, I would like to congratulate the new team and wish it much success in its work.

Gherman, Ratiu Assess Council Session

AU2111184692 Bucharest ROMPRES in English 1702 GMT 21 Nov 92

[Text] Bucharest, ROMPRES 21/11/1992—During a press conference held in Bucharest on Saturday [21 November], the delegation of Romania's parliament that attended the 38th session of the North Atlantic Assembly in Bruges, chief delegate Senate Speaker Oliviu Gherman, Deputy Speaker of the Chamber of Deputies Ion Ratiu (National Peasant Christian Democratic Party) and Tashin Gemil, deputy, representing the ethnic minorities' parliamentary group, pointed to the empathy shown at the session to Romania. The Civil Affairs Commission even included in its agenda a special report on the democratization process in Romania, which initially had the title "Romania—An Unfinished Transition" that was changed upon Romania's request. The Romanian delegation completed it with a memorandum which brought new elements in its support evincing the development of the democratic process in Romania on a political, social and economic plane in the context of transition to a market economy.

In their addresses the Romanian parliamentarians approached questions related to the accord concluded in Budapest by Boris Yeltsin and Arpad Goncs. Ion Ratiu considered it a defeat of the basic ideas of democracy "because in a country with a real democracy only the individuals have rights, there are no collective rights. Against whom are such collective rights?" Referring specifically to the Cluj declaration of the Hungarian Democratic Union of Romania (UDMR), he assessed it as retrograde, stating that Russia joined Hungary in this respect as a country which "has for a longer time promoted the theory of collective rights which actually means a denial of democracy." Mr. Ratiu also developed another idea at Bruges: "The most interesting historical reconciliation would be the Romanian-Hungarian one underlain by democratic principles, because the Hungarian minority can speak Romanian and, moreover, there are hundreds upon thousands of citizens who come from mixed families."

Danescu Discusses Ministerial Appointment

AU2311085392 Bucharest COTIDIANUL in Romanian 17 Nov 92 p 1

["Exclusive" interview with Major General George Ioan Danescu, minister of interior-designate, by Mihai Staub; place and date not given: "What If He Did Not Defend the Metropolitan Hill?"]

[Text] [Staub] General, what do you have to say about the statements made by some people who consider your appointment to the position of minister of interior as a step back, and would have preferred a civilian for that post?

[Danescu] First of all, I do not know how one can estimate whether this appointment is a step backward or forward. Personally, I believe that the position can be occupied by either a military man or a civilian, provided he can do the job. The fact that a military man was preferred does not in any way hamper the further democratization of the Ministry of Interior apparatus, which must further include military men, since we also have in our jurisdiction border troops and policemen. Other countries also have military people as ministers of interior. I do not believe that one can say that only in Romania would a military man be in a position to halt the reform or even destroy whatever good has been done. I think that our military can also keep in step with the democratization process.

[Staub] What motives were stated by Mr. Victor Babiuc [minister of interior in the Stolojan cabinet] when he removed you from the position as chief of the General Police Inspectorate in March 1992?

[Danescu] To put it elegantly, as he did it with me, I was released from my position. The night prior to that event, I was told to present myself the following day at the ministry, where I was read a decision signed by Prime Minister Stolojan, which stipulated my release from that position. I remember those moments very well. I left without shaking hands. I too would have liked to have known the reasons for that decision. You know how it is in a democracy: Today you are in government, and tomorrow you are out. This is the only motive I understood, particularly since I was not aware of any other reason for that move.

[Staub] According to Mr. Babiuc, you were released from the post because you took too long to make decisions.

[Danescu] I was not told that. As minister of interior, if that was his opinion, he was entitled to make such a decision—by giving this as a reason—although I disagree with it.

[Staub] Four generals, including Generals Suceava and Carp, announced that they plan to retire if you are named minister of interior. What explanation do you have for such statements?

[Danescu] I do not know whether they made such statements. I assume that the respective reporters are well informed. I am surprised, because I had no differences with these generals. On the contrary, we know each other very well. As far as I am concerned, I find it difficult to believe that one would apply for retirement in an institution that one loves and has served for a long time, just because a new chief arrives, whom one considers not quite fit for the job.

[Staub] What can you tell us about your friendship with Tudor Postelnicu [minister of interior in Ceausescu's time]?

[Danescu] First, I would like to say that when Mr. Postelnicu was minister, I was a mere deputy police chief

in Prahova County, after which I was moved, also on his orders, as deputy chief in Constanta. In the past, one could not talk to the ministers like one can today. As a matter of fact, I had no link with him. Some claim that I had a connection with one of his brothers, who used to bypass all units. On the contrary, I had to suffer because of that brother of his.

[Staub] What actions did you undertake in December 1989, in your position at that time?

[Danescu] I stayed put in my unit and took steps to disarm all cadres. I talked to the demonstrators but could not reach an understanding. Then, when I saw that the dialogue yielded no results, I got in touch with the chief of the local garrison, General Popa, and the Army came to our rescue. Thus, I protected my people. In February-March 1990, I was appointed chief of the county police department.

[Staub] What missions did you have to fulfill during the University Square demonstration and the two miners' incursions of June 1990 and September 1991?

[Danescu] I can only speak about the miners' incursion of September 1991, since I only "caught" that one, as I was appointed head of the Police General Inspectorate in September 1990. The report of the Senate Commission shows that the actions of the forces of public order were coordinated by a General Staff. For instance, the parliament was not a target in the charge of the police, but rather of the USPP [expansion unknown]. On the other hand, I can tell you that we succeeded in defending the government building. I will not talk about Cotroceni Palace, because the implications are different. I only belonged to that General Staff, while the various actions were coordinated by the ministry. I could not have given the order for the troops' withdrawal. If such an order had been confirmed, I would have been sentenced today by the military court.

[Staub] What are your actual tasks now, at the Ministry of Foreign Affairs?

[Danescu] They are guarding tasks. I am ensuring the protection of domestic and foreign dignitaries. That is all.

[Staub] Aside from Mr. Melescanu, with whom you have worked at the Ministry of Foreign Affairs, do you know any other member of the government? I particularly have in mind Mr. Vacaroiu.

[Danescu] I never knew Mr. Vacaroiu, until I saw him on television. I know Mr. [Niculae] Spiroiu. I also know Mr. [Andrei] Chirica, though not very well. I have also exchanged greetings occasionally with Mr. Dan Mircea Popescu.

[Staub] General, what are your plans if you take over this position?

[Danescu] First, I think of continuing with the good things that have already been done. I have to see how things stand with each specific ministry compartment. I am also thinking in terms of an offensive against thieves and of increasing the action capacity of the entire staff. In another order of business, we must improve the legislative framework. It is necessary to work out the specific statutes of the police. The Ministry of Interior employee who demands to be shown respect should himself show respect. Anyway, I am not coming back to this ministry with thoughts of revenge. I have no animosities, only exigencies.

Trade Secretary Comments on External Debt

AU2111184092 Bucharest ROMPRES in English 2035 GMT 20 Nov 92

[Text] Bucharest, ROMPRES 20/11/1992—So far Romania has recovered nearly $500 million of external debts, stated Nicolae Os, secretary of state in the Ministry of Trade and Tourism, at a news conference on November 20. The greatest part of outstanding and nonrepayable debts went to Iraq, which amounts to $1.7 billion.

Nicolae Os mentioned that, before the Gulf conflict, documents had been concluded that provided for the recovery of that amount through imports of basic commodities like crude and medicines. Unfortunately, the events that followed barred the recovery of that sum and the current situation in the area hindered the holding of negotiations conducive to collecting a substantial part of the debt. Considerable amounts of money should be retrieved from Sudan ($172 million), Syria ($119 million), Libya ($46 million), Angola ($18.3 million), Guinea ($13.3 million), and Zambia ($16 million).

The press conference also evinced that the highly difficult economic situation in those countries and the limited possibilities for them to pay back their debts were not encouraging at all.

PRM Head Denies Anti-Semitism Charges

AU2111183892 Bucharest ROMPRES in English 1851 GMT 20 Nov 92

[Text] Bucharest, ROMPRES 20/11/1992—We are not anti-Semites, as we are even for the strengthening of ties with all the Jews of good faith, stated the president of the Greater Romania Party (PRM), Corneliu Vadim Tudor, at his party's weekly press conference held on November 20.

We do not agree to certain Jews' claims and charges, he said naming the chief rabbi, Dr. Moses Rosen, Silviu Brucan, Petre Roman, and Adrian Severin. For Mr. Tudor the greatest danger is Hungary where "there is a sliding to fascism." The PRM leader pointed out that his party welcomed the new government, and stated that the PRM parliamentarians contributed to a great extent to the vote of confidence it received.

Mr. Tudor criticized the opposition's "boycott" of the new executive, considering that the opposition is perpetrating "an antinational policy." He assessed former Premier Theodor Stolojan's gesture [to occupy an executive office at the World Bank] as cynical. He also expressed his discontent with "the regrettable manner" in which the television popularizes, "in these days of crisis and austerity, all kinds of receptions, dinners, and fashionable entertainments, immoral here and there, which defy the greatest part of the population that lives in poverty."

He said a reason for satisfaction was that Romania was nearing the European Economic Community, and expressed his belief that Romania's future was and should be closely linked to Western realities, "the only variant able to ensure the country's prosperity."

The PRM leader expressed his anxiety over the recent agreement of principle between Presidents Boris Yeltsin and Arpad Goncz on the minorities' status, specifying that the two countries "seek justification in their brutal interference in the life of other countries and in reshaping the borders in this area." He also condemned the Israeli foreign minister's request that Romania should pay damages to several Israeli citizens born in Romania who would have had nationalized assets here, considering such a request as "an absurd claim."

Morillon Rejects Use of Force for 'Time Being'

AU2211173492 Paris AFP in English 1712 GMT 22 Nov 92

[Text] Kiseljak, Bosnia-Hercegovina, Nov 22 (AFP)—General Philippe Morillon, commander of the U.N. Protection Force (UNPROFOR) in Bosnia-Hercegovina, on Sunday [22 November] pledged to bring humanitarian aid to Gorazde and Srebrenica, two besieged eastern Bosnian towns, within a week.

The situation in eastern Bosnia is "extremely serious," he said.

"We must exclude the use of force for the time being," Morillon told AFP in the Croat-controlled town of Kiseljak, 20 kilometres (12 miles) from Sarajevo, where he has his headquarters.

However a high-ranking UNPROFOR officer, who asked to remain anonymous, said that "one day or another" recourse to force by the U.N. peacekeepers would be inevitable in a war where they are working among groups "armed to the hilt".

"If our convoys have not reached Gorazde and Srebrenica within a week, it will prove that the current set-up is not sufficient. (...) The United Nations High Commissioner for Refugees (HCR) will have to ask for new orders from the Security Council," Morillon added.

"It's a challenge to myself, but also to the local authorities. We have to prove that our mandate is not a bluff", he said, emerging from a press conference called to brief journalists on the deployment of new U.N. forces in Bosnia-Hercegovina. The deployment, due to be completed by early December, involves some 6,000 men in addition to the 1,500 already based in Sarajevo.

Morillon, answering questions on the chances of a final assault on Sarajevo, said that this was unlikely "since the Serbs have realised that taking Sarajevo would be a diplomatic disaster. They really want to improve their image to gain a better position in the Geneva negotiations".

Gorazde, 120 kilometres (75 miles) east of Sarajevo, received a cargo of relief supplies in early September, but despite several recent attempts, the HCR has not yet managed to reach Srebrenica, 150 kilometres (94 miles) northeast of the Bosnian capital, due to opposition from Serbian forces.

Together, Goradze and Srebrenica account for as many as 170,000 people, according to the Sarajevo press, including a large number of refugees forced out of neighbouring villages.

"We cannot let tens of thousands of people die. For the weakest, there is a risk of dying of hunger and cold according to the local authorities", Morillon said, adding that he had received the "personal commitment" of Serbian leaders Radovan Karadzic and General Ratko Mladic to let the convoys through.

"That said, if we talk about using force, we risk increasing tension in the field", he added.

He recognised earlier that the cease-fire ten days ago "was not being respected everywhere", and that attacks did not come just from one side. "There are too many regions where there is still fighting and bombing, especially around Travnik (70 kilometres northwest of Sarajevo) where "the situation is very confusing".

Morillion said a British reconnaissance group left Travnik Sunday via Turbe where they were said to be continuing their bombardments.

French Troops Use Heavy Weapons for First Time

AU2011125492 Paris AFP in English 1222 GMT 20 Nov 92

[Text] Paris, Nov 20 (AFP)—French U.N. troops deployed in Bosnia-Hercegovina used heavy weapons from the first time Thursday [19 November] from one of their armored vehicles, military sources here said Friday.

They said an armored advance vehicle that found itself in "a very vulnerable position" when caught in crossfire between Bosnian and Serbian fighters fired a warning shot from a 20 millimeter cannon, the sources said.

They said the incident occurred under heavy fire as the armored vehicle was helping unloading 23 tonnes of relief material in Bosanska Krupa, north of Bihac.

Muslims Ask for Extension of Izetbegovic Mandate

LD2211190592 Zagreb HTV Television in Serbo-Croatian 1830 GMT 22 Nov 92

[Report by correspondent Pejo Gasparevic]

[Text] The public was informed tonight about the latest stands and proposals of the Executive Committee of the Party of Democratic Action [SDA] regarding the topical situation on the Bosnia-Hercegovina political scene. The SDA Executive Committee proposed to the Bosnia-Hercegovina Presidency to replace the Bosnia-Hercegovina Assembly with a war presidency, which would consist of the current members [of the Bosnia-Hercegovina Presidency]: one representatives each of the Muslim, Croat, and Serb nations and one representative from the ranks of other [ethnic groups].

The SDA also proposed that the filling of vacant seats in the Bosnia-Hercegovina Presidency be carried out in line with previous practice and without further changes to the Constitution.

It is obvious that these proposals hide an elegant attempt to eliminate a proposal of the Croatian Democratic Community for Bosnia-Hercegovina that Croats be represented by Miro Lasic instead of Stjepan Kljujic.

A statement of the SDA Executive Committee then goes on to insist that the mandate of President Alija Izebegovic be prolonged as long as there is war and war danger.

Izetbegovic Protests Movement of FRY Missiles

LD2111161292 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1400 GMT 21 Nov 92

[Text] Bosnian President Alija Izetbegovic has sent a letter to the chairman of the UN Security Council:

We have proof that two squadrons carrying surface-to-surface missiles—belonging to the Yugoslav Army—left Banja Luka at 1800 two days ago, Izetbegovic's letter reads. Possible routes were Zagreb-Modrica-Osijek and Travnik-Sarajevo. These squadrons set off in two columns of 10 to 12 vehicles each with heavy police cover. This is yet more proof that the Yugoslav Army and local Serb forces are not abandoning the war option in their efforts to resolve the crisis in Bosnia-Hercegovina. Taking advantage of numerous peace initiatives, resolutions, and cease-fires, they are sending reinforcements and intensifying attacks on many places.

We beg you to set in motion the appropriate UN mechanisms to halt the movements of these missile units which the enemy is using to compensate for the ban on military flights over Bosnian-Hercegovina territory, Alija Izetbegovic's letter to the UN Security Council chairman reads.

Sarajevo Radio Details New Serb Attacks

AU2311110492

[Editorial Report] Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian at 0900 GMT on 23 November opens its regularly scheduled newscast by noting that the cease-fire in Bosnia-Hercegovina is not being observed and carrying a roundup on unrest reported 22 and 23 November.

Sarajevo radio reports the "aggressor" has been "fiercely attacking" Gradacac, Brcko, Maglaj, Tuzla region, and all of Sarajevo over the past 24 hours but has failed to move the lines of defense.

MAGLAJ HAJRUDIN PERMIC—A Maglaj Hajrudin Permic correspondent reports that the "chetniks" fired on the town center overnight and that the "night passed in fierce infantry arms exchanges on the Bijela Ploca-Jablanica line of the town's defense." The settlement of "(Kotova)" was also exposed to the "destructive activities of the chetnik recoiless guns, antiaircraft machine guns, and antiaircraft guns," the correspondent says.

TUZLA—Correspondent Salih Brkic reports from Tuzla, saying that there "can be no talk of a cease-fire" in the region as Tuzla and the villages in Gracanica and Lukavac Communes have been "shelled frequently" over the last 24 hours. Donja Orahovica was pounded by tank grenades fired from Bosansko Petrovo Selo overnight, Brkic says, while the "Chetniks" in Lipovac attacked Prijeko Brdo with mortars. He goes on to say that "the Chetniks from (?Sviz), in Mt. Ozren," attacked the area of Devetak, in Lukavac commune. "The aggressor's vehicles were again observed to be moving along the slopes of Mt. Ozren," Brkic says.

He then says that the Kalesija battlefield was "somewhat more peaceful than in previous days." In the eastern part of the Kalesija battlefield, the "chetniks" are reported to have been opening fire from antiaircraft guns at the Miljanovci-Kalesija-Memici road. Brkic reports that there were no casualties in the overnight shelling and that "the morning is rather peaceful."

SARAJEVO—Correspondent Duska Rakonjac reports from the Sarajevo Security Services' Center, saying that the morning in Sarajevo is marked by sporadic infantry fire aimed at the outskirts of Stari Grad, Dobrinja, Stup, Stup Hill, and the region of Zuc. "In the period from 0800 to 0830—that is, from 0930 to 1000—we noted the activities of enemy artillery in Vrace and Poljine," she reports. "Several tank grenades fell this morning on the territory of Marijin Dvor, and destructive missiles have also been falling on Kobilja Glava and Zuc recently," she says. Rakonjac reports that snipers are active in Srebrenik, Novo Sarajevo, and on Heroes' Square. She concludes by saying that "just before reporting for the program, we heard two strong explosions, which probably took place in Stari Grad."

GRADACAC—A Gradacac correspondent reports that the "chetnik aggressor's army on the territory of Gradacac commune last night and this morning continued with fierce attacks." The report states that "the enemy in Krecane, Skugric, and Pelagicevo" attacked the lines of defense with howitzers, mortars, tanks, and recoiless guns. The correspondent mentions attacks on civilian targets in the region. "At 0630 this morning, the chetnik infantry and tanks" are reported to have carried out another fierce attack in the region, while at 0700 "the chetniks attacked the lines of defense of Hasanbasici and Vida." "The fighting is still underway," the report states.

BRCKO—The Brcko Press Center reports that "the Serbo-chetnik aggressor last night stepped up offensive activities against the entire line of Brcko's defense." "The positions of the 108th Brcko brigade in the region of Lipovac" were exposed to 82 mm mortar missiles and intense infantry fire, the report says.

Muslims Killed in Attack on Serb Position

LD2111222892 Belgrade TANJUG Domestic Service in Serbo-Croatian 2047 GMT 21 Nov 92

[Text] Belgrade, 21 Nov (TANJUG)—Muslim units this afternoon carried out a strong mortar and infantry attack from the direction of the village of Ilovice [south of Sarajevo] against Serb positions in the Trnovo-Kijevo area of the Sarajevo battlefield, SRNA reports, citing Serb military sources. According to these sources three

Serb fighters were wounded in the fighting. The side of the aggressor about 30 soldiers were killed.

The Serb fighters thwarted two Muslim sabotage groups who, during the afternoon, attempted an advance into territory under the control of the Ilidza Brigade. At about 1700, several mortar shells were fired from the direction of Hrasnica at the Famos factory and Serb positions in Krtelj, in the northwestern part of the Sarajevo battlefield. In other parts of the town the afternoon passed with the usual sporadic shooting from infantry weapons, which was fairly heavy only in the Dobrinja area.

Serbs Say Croats, Muslims Preparing Offensive

LD2311103592 Belgrade TANJUG Domestic Service in Serbo-Croatian 0923 GMT 23 Nov 92

[Excerpt] Bileca, 23 Nov (TANJUG)—Croatia's Army on the Trebinje battlefield and the Muslim-Croatian forces on other Hercegovina battlefields are preparing a new offensive despite a cease-fire agreement, according to a statement by the Hercegovina corps command of the Serb republic's army issued in Bileca this morning.

The statement notes numerous movements of vehicles bringing in fresh troops and equipment on the Masline-Stolac, Mostar-Jablanica, and Mostar-Capljina roads overnight. [passage omitted]

Health Authorities Issue Data on War Casualties

AU2011113092 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1100 GMT 20 Nov 92

[Text] According to the information of the republican (?ministry) for Health and Social Policy, 140 people are killed and 747 wounded in Bosnia-Hercegovina every week on average. So far, 128,356 people have been killed or are reported missing in Bosnia-Hercegovina, while 132,917 people have been wounded, of whom (?61,362) were wounded seriously.

Medical Headquarters Urges Aid for Besieged Towns

AU2311141892 Sarajevo Radio Bosnia-Hercegovina Network in Serbo-Croatian 1300 GMT 23 Nov 92

[Excerpt] The republic Headquarters for Social and Medical Welfare of the Bosnia-Hercegovina Citizens today again reported that medication and food aid is urgently needed for Srebrenica, Gorazde, Zepa, and Visegrad. If aid does not arrive, a large section of the population in these towns will be threatened with death by starvation.

The hygiene and epidemiological situation in the republic and in Sarajevo continues to be very serious. Individual or epidemic cases of contagious diseases are being registered increasingly frequently. [passage omitted]

Travnik Health Official Denies Typhoid Reports

LD2311150392 Zagreb Radio Croatia Network in Serbo-Croatian 1400 GMT 23 Nov 92

[Telephone interview with Dr. Velimir Valjan, head of the Travnik Croatian Defense Council health service, by Radio Croatian correspondent Vedrana Krstic-Ivanisevic; place and date not given—recorded]

[Excerpts] [Krstic-Ivanisevic] Dr. Valjan, good afternoon. You are the head of the Travnik Croatian Defense Council health service, and you sent us a denial today. Namely, all the media in Croatia reported information published by the World Health Organization that typhoid fever appeared in Travnik as well as in Zenica and other towns. You claim that this is not true. Could you please explain how this misunderstanding occurred?

[Valjan] The fact that not a single case of typhoid fever has been registered in Travnik is certainly correct. [passage omitted]

[Krstic-Ivanisevic] How did they then obtain that piece of information? It caused a lot of panic, did it not?

[Valjan] Yes, it caused panic in Travnik as well, but what probably happened is that the information was obtained from I don't know where. Believe me, here in Travnik I was not contacted by anyone from any organization. Not a single case of stomach typhus has been registered in Travnik.

Outbreak of Jaundice Reported Near Bihac

LD2111061092 Hamburg DPA in German 1421 GMT 20 Nov 92

[Text] Goettingen (DPA)—According to information from the Society for Endangered Peoples in Goettingen, there has been an outbreak of jaundice in the Bosnian town of Buzim, northeast of Bihac. One in twenty out of the 3,000 Moslem inhabitants has reportedly fallen ill already. The epidemic is spreading rapidly. The typhoid epidemic that broke out in northern Bosnia four weeks ago was also increasingly taking its toll, Society for Endangered Peoples workers reported in Goettingen today. The cause of the serious illness was the extreme undernourishment of the inhabitants, some of whom have been surrounded by Serbian troops for months.

'Foreign Factor' To Play Greatest Role in War

93BA0168E Zagreb NOVI VJESNIK in Serbo-Croatian 30 Oct 92 p 3

[Article by Vlado Rajic: "What Is Behind Proposal for Constitutional Structure of B-H [Bosnia-Hercegovina]: State Under 'Supervision'"]

[Text]*According to the Vance-Owen idea, the foreign factor would play a key role in the constitutional modeling of B-H [Bosnia-Hercegovina]. Regionalization is also proposed, but after the ethnic cleansing conducted through*

warfare and the everyday examples of human migration, this will not be easy to implement.

Calling the Vance-Owen proposal for a B-H constitutional structure a draft plan is an ordinary complement for a document in which general views of both the constitution and the state structure are enumerated. The key flaw in the proposal is precisely this superficial representation, because all three sides will reject it and will do so for their own reasons, but also for common reasons. The legal advisors to the diplomatic "duo," but also the two personalities themselves, completely forgot that this is a document that is intended to be applied in the short term to a territory of hatred that has been wrecked by war, devastation, and bloodshed.

According to an unofficial translation, the text begins by defining the B-H state borders as the current international borders, and thus those of the former SFRY republic. This satisfies the spirit of the time-honored Baker theory that the borders of the former republics cannot be changed by force, but it neglects the effect of war and territorial appetites. Proof of this will be forthcoming very soon, even tomorrow, when the size of the electorate in favor of "Serbian and federal elections" will be determined, for example. The second element of this definition of the state is the "seven or 10 autonomous provinces" into which B-H is divided.

Since the document neither describes nor defines the criteria on which these provinces are based, it is worth recalling that in the meantime each of the three belligerent sides has drafted its own map for partitioning Bosnia and that, even with the best of intentions, it is not possible to find enough common ground between these maps and the potential geographic expression of the Vance-Owen view. Especially when it states that "many provinces will probably have a significant majority of one of the three main ethnic groups, while in the majority of them minorities will have significant representation." After the ethnic cleansing conducted through warfare and the everyday examples of human migration, given the method through which both are carried out, this regionalization will not be easy to implement, although the future constitutional solution is offered in accordance with the principle that the "borders of the provinces would be established by the constitution and could not be changed without a significant majority in the legislative body."

Nevertheless, Vance and Owen do demonstrate a realistic approach in the nooks and crannies of the constitutional idea. The observation that the constitution must "take into account the existence of three main ethnic groups" resounds clearly, but their answer is a transition period during which persons named at the international conference on Yugoslavia are to be appointed to certain constitutional bodies. Meaning this: Husa's, Iva's, and Jova's boss would be Pierre.

This incidental provision shows that according to the Vance-Owen idea the foreign factor would play a key role in the constitutional modeling of B-H. From personnel influence over the functioning of individual bodies to its involvement in a "tripartite negotiation process," if settlements between the main ethnic groups ran into a dead end. Let us set this assumption aside for now.

The division of state functions looks like this: The central government is responsible for foreign affairs, defense, international trade, citizenship (perhaps dual) and taxes for financing the central government. At pinnacle of B-H, but as a body independent from the state, are the Central Bank, the issue of money, the operation of provincial banks, and the infrastructure. Added to this is a division of responsibility between the central authorities and the provinces with regard to environmental protection and the judiciary. Logically, the constitutional court is the summit of judiciary and police control over the system, while that institution, together with an ethnic balance in the armed forces, control over the police, and "nondiscriminatory conduct" by the police are under the direct supervision of the international community.

In order to further clarify the dimensions of international influence over the functioning of this type of state, the position and number of judges appointed by the aforementioned Conference on Yugoslavia merits attention. In the key judicial institution, the constitutional court, every ethnic community is represented by one judge, together with five judges from abroad. Obviously, the majority issue is resolved through this proposal alone, and then one could anticipate what kind of decisions would be handed down by that court in relation to the "subjects" coming before it, meaning: disputes between the central government and one or more provinces, among the provinces, among the main institutions of the central government, and in connection with the rotation of groups or functionaries appointed by the state presidency. In this way, improvisation is ruled out with regard to "national" solutions in these disputes.

As far as the armed forces and police are concerned, provisions on the authorities of the international factor are even more detailed. The Armed Forces of B-H would be under the complete control of the Executive Council of the central government (and thus not the president of the Presidency, whose post is exclusively ceremonial). Its command would be subject to a balance among ethnic groups, but the units are fully integrated. Supervision over initial arrangements for achieving both balance and integration would be assumed by people appointed abroad. The police, organized exclusively under the competence and administration of provincial authorities, would initially be under the supervision of the Conference on Yugoslavia, but then under that of a body so authorized by the Conference. This provision alone shows that autonomy is being offered in establishing the state and its functions, but under the strict control of those who are offering this formula through this constitutional plan.

As far as human rights are concerned, the future framers of the B-H constitution should accept the solutions explicitly suggested in the Vance-Owen proposal. They are based on international solutions, and they should be included almost verbatim in the final version of the constitution. For all of this to work, the constitution must assume international supervision over the application of these provisions, with a minimum, appointed formula: strict control over nondiscrimination. But Vance and Owen go even further.

First, besides the solution included in its own constitution, B-H must also sign special international agreements and directly incorporate them into its internal law.

Second, an international commission for human rights for B-H has broad authorities to investigate allegations from citizen complaints and is obligated to notify the competent bodies (United Nations, CSCE, and Council of Europe inclusively, and if necessary the Security Council as well).

Third, four public legal officers (ombudsmen) are appointed by the Conference on Yugoslavia, and this authority is assumed by the lower house of the B-H legislature only later.

Fourth, a court of human rights is set up as part of the Council of Europe mechanism, consisting of three "national" members and five judges appointed by the chairmen of the European Court of Human Rights and the European Commission for Human Rights. The court would exist at least until B-H is admitted to the Council of Europe and signs the European Convention on Human Rights. Vance and Owen say "but perhaps even beyond that point," not entirely believing in the calmed situation.

Fifth, the direct access of all citizens to courts is ensured, with the right to directly invoke constitutional ordinances or provisions of international ordinances signed by the state of B-H. The lack of corresponding legislation is not an obstacle to the realization of one's rights before the court.

The final part of the Vance-Owen constitutional outline is devoted to defining citizenship. The conditions for citizenship are prescribed by the central government. Dual citizenship is allowed. There is no provincial state allegiance. There is no ethnic identification of citizens in personal documents. If nothing else, this part of the constitutional sketch is crystal clear. Any aspirations regarding the so-called national territory of B-H by ethnic subjects living in neighboring states are limited to dual citizenship, with such dual citizens probably being required to fulfill obligations for both states, beginning with military service. Anybody who wants to should feel free.

And finally, no matter how much doubt there is about the effectiveness of these proposed constitutional sketches and about how all three sides of the Bosnian ethnic kaleidoscope will accept them, the international factor has offered its last word. If this constitutional construction fails, then the situation for B-H and its neighbors will be blocked in the current position: Bosnia at war, Serbia under sanctions, and Croatia under refugees.

[Box, p 3]

Lord Owen: B-H Soon New Lebanon

London (HINA)—European Community peace envoy Lord Owen said Thursday that the former Yugoslavia could become another Lebanon if the belligerent sides do not agree to the draft of a new B-H constitution.

Owen added that if the plan fails and the fighting continues, B-H will suffer the consequences for centuries.

"I think that there is no alternative aside from an arduous and long-term war, and I believe that B-H could soon resemble Lebanon," Owen said in an interview for the BBC.

Government Plans To Establish Counties in Krajina

LD2011194192 Belgrade TANJUG in English 1813 GMT 20 Nov 92

["Pool" item]

[Text] Zagreb, Nov 20 (TANJUG)—Croatia has announced it will soon establish its own zhupanijas (counties) in the territories which are now in the Republic of Serb Krajina (RSK) and which have been placed under U.N. protection.

The seat of one of the zhupanijas will be Vukovar, a town in the easternmost part of Slavonia which, as Croatian President Franjo Tudjman said on Thursday [19 November], might be recaptured by force, together with other towns in the RSK.

A draft law on the new territorial division of Croatia, which the republican parliament should approve by mid-December, provides for the creation of the Vukovar-Srem and Osijek-Baranja zhupanijas whose seats would be Vukovar and Osijek respectively. Under the draft, Croatia would be divided into 20 zhupanijas.

The predominantly-Serb populated Vukovar was liberated by the Yugoslav Army on November 18 last year after heavy battles with Croatian paramilitary forces. Vukovar and the region of Baranja are now in the RSK, proclaimed within the administrative boundaries of the former Yugoslav Republic of Croatia where the Serbs constitute the majority or a significant minority.

Under a peace plan drafted by special envoy of the U.N. secretary-general Cyrus Vance, the RSK has been placed under the protection of U.N. peace-keepers for a period of 12 months. The U.N. troops should remain there until a political settlement is reached between the parties concerned.

The Croatian president has repeatedly expressed dissatisfaction over the deployment of the U.N. troops and asked that they leave the territory once their mandate expired. He even threatened that the Croatian Army would recapture the territories by force if the U.N. troops failed to leave.

Serbs Say UN Commanders Hampering Peace Plan

LD2211140692 Belgrade TANJUG in English 1218 GMT 22 Nov 92

[Text] Korenica, Nov 22 (TANJUG)—Lower commands of the U.N. Protection Force (UNPROFOR) have in the past few weeks hampered the implementation of the U.N. peace plan, the local authorities in Lika said on Sunday [22 November]. Lika is part of the Republic of Serbian Krajina (RSK) which is under U.N. protection.

The local authorities said the lower UNPROFOR commands in Lika's sectors south and north demanded that the command of the RSK Armed Forces begin withdrawal of its armament and equipment from Lika, although this was not agreed on higher levels.

After being told that this was contrary to the agreements reached so far, UNPROFOR officers said they were not informed about the results of the agreements, the Lika authorities added.

They said lower UNPROFOR commands also demanded to inspect some facilities for which they were not authorized.

The RSK was formed last year, on the predominantly Serb-populated areas within Croatia's administrative borders, in response to Croatia's forcible secession from Yugoslavia and its attempt to reduce the status of Serbs to the status of a national minority. The dispute prompted the war in Croatia, and the RSK was put under U.N. protection.

The U.N. peace plan, initiated by U.S. diplomat Cyrus Vance, envisages a simultaneous demilitarization of the RSK and the former Yugoslav Republic of Croatia, along the line of conflict.

Prime Minister Reviews Progress of Economic Plan

LD2111102792 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 20 Nov 92

[Text] The Croatian Government will complete its broad economic program in 15 days, according to Prime Minister Hrvoje Sarinic, who spoke at a news conference today. Here is a report for Croatian radio news from Darko Herceg.

Prime Minister Sarinic was meeting with journalists on precisely the 100th day since taking office. Most of the questions addressed to him therefore related to the implementation of the program signalled three months ago.

In his replies, Prime Minister Sarinic spoke at length about efforts to bring down inflation, stressing that in addition to the war and refugees, one of its main causes is the fall in Croatia's social product, which will be considerably improved by increased revenue from tourism in 1993. By this time, he promised, a pontoon bridge will be built across the Maslenica gorge; plans are also already being drawn up for the construction of a new, solid bridge to be started simultaneously.

Prime Minister Sarinic added that in the battle against inflation the government will certainly not decide on any kind of shock therapy, but rather the systematic removal of its causes, in other words, an increase in the social product and reduction of public spending.

He indicated that in the very near future Croatia will be accepted into the IMF on the basis of succession to the

former Yugoslavia. He said this will also facilitate Croatia's membership in the World Bank and cooperation with other international financial organizations and foreign commercial banks. The Croatian Government is also preparing additional measures to speed up privatization, and is close to finishing work to Europeanize its legal system.

On the subject of a possible government reshuffle, Sarinic said that there will be no radical changes and that he personally is not considering resignation.

German Attache Calls Navy "Small, But Admirable"

AU2011101692 Split SLOBODNA DALMACIJA in Serbo-Croatian 13 Nov 92 p 2

[Report by I. Profaca: "Schales in Lora"]

[Text] Split—Colonel Erich Schales, military attache of the German Embassy in Zagreb, visited Split on Wednesday [11 November] as the guest of the Croatian Navy [HRM] and met with Admiral Sveto Letica, commander of the HRM, in the military port of Lora [Croatian Navy Headquarters]. After greeting the prominent visitor, Admiral Letica said that the HRM had developed during the war, and that the most important task now was the development of military shipbuilding. The HRM's best vessel, the "Kralj Petar Kresimir IV" should form the basis of the future fleet, and its quality can be compared to any vessel in the world in its class. The Croatian Navy, said Admiral Letica, should be in proportion to the needs of the Republic of Croatia, and exclusively serve the defense of the Adriatic and the Croatian coast.

The HRM commander expressed the hope that fruitful cooperation will develop with the German Navy, in both technical matters and the training of personnel. "In addition to this," said Admiral Letica, "we hope that the unjust arms embargo, which is treating aggressor and victim alike, will soon be lifted."

In reply to Admiral Letica, Colonel Schales said that although he had held the post of military attache in Belgrade from 1988 to 1991, this was his first visit to the military port of Lora and that during this visit he had received the impression that Croatia had a "small, but admirable navy." He too expressed hope for future cooperation, stressing the fact that a German warship is among the forces stationed in the southern Adriatic to monitor the implementation of sanctions against the Federal Republic of Yugoslavia.

Croatian View of Situation in Belgrade

93BA0158A Split SLOBODNA DALMACIJA in Serbo-Croatian 3 Nov 92 p 10

[Article by Drago Hedl: "Bozovic Has Moved Into a 'Croatian Villa'?"]

[Text] Even in well-informed journalist circles in Belgrade nothing is known about who will be the first representative of the Federal Republic of Yugoslavia [FRY] in Zagreb. An answer to that question could not be obtained even from the chief of staff of Oskar Kovac, deputy prime minister in Milan Panic's government and the principal negotiator with the Croatian side. Nor is it known when there will be another meeting between the Croatian and Yugoslav delegations, because this depends on commencement of the work of the commission which the two negotiating teams have agreed on. Speculation that the Croatian Embassy in Belgrade might be in the former "Croatian villa" on Dedinje also has not been confirmed. That is, it is said in Belgrade that Radoman Bozovic, Serbian prime minister, is the new tenant of the "Croatian villa."

All the daily newspapers in Belgrade publish not only the official exchange rate of the Yugoslav dinar against other currencies, but also the black market rate. Thus, last Wednesday 1 German mark [DM] was worth 130.89 dinars at the official rate, while it brought all of 380 dinars on the black market. That same day, 1 Yugoslav dinar was worth 2.20 Macedonian denars, but you could get only 0.18 Slovenian tolar for it. The relation of the Yugoslav dinar to the Croatian dinar has not yet been established, certainly because economic ties and trade ties have been severed.

The exchange rate of the Yugoslav dinar against the German mark is not uniform even in Belgrade. The German mark brings the highest price in Francuska Street, among the Albanian smugglers who offer as much as 10 dinars more than their counterpart at Zeleni Venac.

The relation between the Yugoslav dinar and the Croatian dinar can to some extent be calculated from the exchange rate of the German mark on the black market in Zagreb and Belgrade. In that comparison, the Croatian dinar is only slightly stronger than the Yugoslav dinar. However, BORBA, VECERNJE NOVOSTI, and VREME, which alongside their title also give the price in Croatian dinars, think differently. Thus, BORBA and VECERNJE NOVOSTI, which sell in Belgrade at 300 dinars, would cost 100 Croatian dinars in Croatia although newspaper stalls do not have them. VREME sells for 700 Yugoslav dinars in Serbia, but the price in Croatian currency is 400 Croatian dinars.

Belgrade currency smugglers, who do not hesitate to exchange Bulgarian and Romanian money, will have nothing to do with the dinars of the so-called Serbian Republic or the Serbian Republic Krajina. They flee them like the plague. People from Krajina can exchange their "money" at only one place in Belgrade. The ratio is 1:1, but the amount of money which can be exchanged is limited. Upon presentation of your identity card, the most you can exchange is 10,000 dinars (about DM25).

The longest lines you will see in Belgrade are formed every day in front of the offices of two private banks—

Jugoskandik and Dafiment. Those two banks are constantly competing in paying higher interest to savings depositors. Thus, on foreign exchange placed in time deposits for three months Jugoskandik pays a monthly interest of 12 percent in foreign exchange! There are many people in Belgrade who are convinced that these banks are operating on the principle of the chain letter in which only the early birds gain, and the bill is paid by those down the line.

Interest of 100 percent per month is promised to everyone who puts his dinars in a time deposit in the Vojvodina Bank on 31 October, World Savings Day.

JAT [Yugoslav Airlines] has included flights to Zagreb and Ljubljana in its winter flight schedule. With the reservation, to be sure, that this will be possible only when the UN sanctions are removed. JAT's winter flight schedule took effect on 25 October, but there was no essential change in it. JAT takes off from Belgrade only three times a day; the flights go to Podgorica and Tivat.

Advertising space in Belgrade newspapers is simply crawling with offers from various agencies in the business of selling airplane tickets. With the Surcin Airport almost closed because of the sanctions, they fly from airports in Budapest, Sofia, Athens, or Temesvar.

At the bus station in Belgrade, service to new destinations has been separately indicated. It includes the routes Belgrade-Knin, Belgrade-Borovo Selo, Belgrade-Beli Manastir, Belgrade-Vukovar. But alongside the timetable a warning is displayed to passengers to seek information at the window before buying their ticket because the trip may have been canceled because of the fuel shortage.

The 37th Belgrade Book Fair, which just took place, had its star. It was not Ivo Andric, as was expected in view of the 100th anniversary of his birth, but Vojislav Seselj. The publishing house ABC Glas has published the collected works of the self-styled Chetnik vojvoda. The entire printing is said to have sold out in just 24 hours. Among the books given particular prominence were *Politicka sustina militarizma i fasizma* (*The Political Essence of Militarism and Fascism*) and *Horvatove ustaske fantazmagorije* (*Horvat's Ustasha Phantasmagorias*).

Seselj turned up every day at the book fair accompanied by two bodyguards.

Certain Croatian factories which previously did business in Belgrade have been given new names. Bagat is now called Beobagat, and the publishing house Mladost (Youth) has been given the name Nova Mladost (New Youth) (Is there also an old youth?!). In some bookstores they are still selling books printed in Croatia, especially Znanje editions in the Evergreen series. Books of photographs on various topics from the former Yugoslavia are also on sale. Dubrovnik is almost always featured on the title page.

The publishing institution Zavod za Kartografiyu Geokarta (Geokarta Bureau for Cartography) in Belgrade has published for sale a highway map of the Federal Republic of Yugoslavia. A particularly interesting feature on this map, which also includes neighboring states, is that the UNPA [UN protected areas] in Croatia are marked. On some maps, those areas are set off by dotted lines, so that it is not clear to the uninformed to whom that territory belongs. On other maps, it is clear that the UNPA are in Croatia, because they fall within the national boundary of the Republic of Croatia and are drawn with blue lines.

The International Press Center in Belgrade has taken over some of the jobs of the post office, and journalists are functioning as mailmen. Because telephone connections between Croatia and the FR Yugoslavia have been severed and letters take a long time, newsmen who travel most frequently between Belgrade and Zagreb have taken over the carrying of the mail. The woman correspondent of one Zagreb paper came back with her briefcase full of letters. Among others, Slavko Komar of Zagreb was writing to Vukasin Micunovic in Belgrade. Even Belgrade taxi drivers have an additional new job. Because of the increasingly frequent thefts of automobiles in Belgrade, along with the other news which they receive over their radio (usually about where they can buy fuel) the taxi drivers have recently begun to receive information about the model, color, and license number of stolen cars. Thus, in driving the streets of Belgrade, they are also looking for stolen cars, and there is a reward waiting for every useful report.

Politics is the topic of almost all coffeehouse discussions in Belgrade. It is interesting that no one who talks about Slobodan Milosevic mentions his name, but mainly refers to the leader as "he" or "that one." Presumably so they do not constantly hiccup at mention of the president's name.

"That is not out of any fear at all," explains one Belgrader, "it is out of pure contempt."

Drnovsek, Slovenes From Italy Meet in Ljubljana

AU1811183292 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 18 Nov 92

[Report by Drago Flis]

[Text] Today's talks with Slovene Prime Minister Dr. Drnovsek are a part of regular contacts that the Slovene Government has with the minority organizations in neighboring countries. The support for the Slovenes abroad has never been disputable for any of the Slovene governments although our state gaining independence added some new nuances to this problem or at least a different perspective.

Dr. Drnovsek was quiet regarding concrete agreements with the minority today, and he limited himself to general assessment of today's talks:

[Begin recording] I expressed full support of the Slovene Government for this project, and I assured them that they have not been forgotten and that Slovenia will always protect the interests of the Slovene minority in Italy. I also invited them to cooperate further in compiling an agreement that would regulate the minority issue, that is, the status of our minority in Italy and of the Italian minority in Slovenia. [end recording]

The initiative for the protection of the Slovenes in Italy rests, therefore, with the Slovene Government, as the Italian Government has been rather reserved in this sphere. This has been proved by the fate of the general protection law that has been dragging on as a topic of Slovene-Italian talks at various levels within Yugoslavia.

The demand for overall protection of Slovenes in all three provinces where they live remains, although it is now supplemented by the initiative for a new agreement on minority protection, from which the Slovene side, as the prime minister said, expects a higher level of protection than the present. In any case, the protection of a minority could only be archived in permanent contacts with official Italy. Here, the recent postponement of Drnovsek's visit to the Italian capital has not helped the communication, especially because the postponement came as a result of Italian internal political situation. Dr. Drnovsek insists on the continuity of contacts with Rome. That is how he sees the schedule of future contacts:

[Begin recording] Foreign Minister Rupel will shortly meet with the Italian foreign minister in Graz, Austria, and I expect that the visit, that is to say, the meeting with Italian Prime Minister Amatto will take place soon. The last meeting was postponed, I believe, primarily due to public pressure in Trieste and problems with the Osimo Agreements. I think that it is sensible that we discuss these issues in a more peaceful atmosphere and that we seek constructive activities for the future. [end recording]

Polish-Slovene Free Trade Zone Negotiations Begin

LD2211182292 Warsaw PAP in English 1805 GMT 22 Nov 92

[By PAP special correspondent Krzysztof Berling]

[Text] Ljubljana, Nov. 22—Polish Foreign Minister Krzysztof Skubiszewski announced after the meeting with his Slovenian counterpart Dmitri Rupel on Sunday [22 November] the beginning of work on a free trade zone between Poland and Slovenia.

During his visit to Ljubljana Skubiszewski also held talks with President Milan Kucan, concerning the cooperation of the two countries in solving the conflict on the territory of former Yugoslavia and development of bilateral relations, including the economic ones.

Commenting on his talks with Foreign Minister Rupel, Skubiszewski stressed that it was extremely important for Polish-Slovenian bilateral relations to create an infrustructure of treaties reflecting the new political situation. He said that drafts of some agreements, for instance on health protection or cultural and scientific cooperation, had already been prepared. Other key documents dealing with the promotion of investments and avoidance of double taxation "are discussed and will be realized," he declared.

Talks can start now on the creation of a free trade zone between Poland and Slovenia, Minister Skubiszewski announced and disclosed that he had discussed in detail with his Slovenian partners all economic problems. The sides agreed that transport was the key issue, especially as Poland and Slovenia were interested in the Italian project of the Baltic-Adriatic route.

Minister Rupel declared during a press conference that Slovenia attached great importance to relations with Poland due to its international engagement, participation in the central European initiative and the Visegrad group as well as its friendly attitude.

Rupel announced that Slovenia would soon open its embassy in Warsaw.

Federal

Cosic Says He 'Will Not Run' for President

LD2111191492 Belgrade TANJUG Domestic Service in Serbo-Croatian 1329 GMT 21 Nov 92

[Text] Belgrade, 21 Nov (TANJUG)—Dobrica Cosic, president of the Federal Republic of Yugoslavia, has said that in the forthcoming election he will not run for the post of Serbia's president. This is what he said in an extensive interview published in tomorrow's issue of POLITIKA.

Cosic says that if he put forward his candidature for this post he would have to resign his position as president of the Federal Republic of Yugoslavia.

"I do not want to deprive myself in advance of the possibility of doing something good in these dark days. But what is certain: If there is no willingness in the new Assembly to immediately embark on thorough constitutional reforms and the organization of a new democratic state, uniting Serbia and Montenegro; if those people who are willing to conduct a new and democratic policy fail to end up at the helm of these two republics, I will quickly retire from my post as president of the Federal Republic of Yugoslavia."

Citing personal reasons, among others, Cosic says he finds irritating so much party politicking and speculation. He says that some people, who only now on the eve of the election have owned up to their democratic beliefs and demonstrated respect for the duty he performs, try to blackmail him in the name of democracy. "These people try to make me take on responsibility for the opposition's possible failure if I fail to head its coalition. Much to my regret, I am not taking on this responsibility," Cosic says.

"The post I hold, my desire to be president of all citizens of Serbia and Montenegro without separating them into parties, prevents me from naming the party and those people who are closest to my beliefs. I think that this is what they did a long time ago," [as received] president the Federal Republic of Yugoslavia says.

Asked about hints that a Panic-Cosic ticket could be put forward within the democratic coalition, Cosic says that even if he believes he ought to be the leading candidate of some coalition ticket or to be, along with Panic [Yugoslav prime minister], its representative, a great deal of work and time would have to be invested in drawing up a political program that he could sign today.

"I am interested in a lasting, working, political and moral alliance that would take on historic responsibility before the people for a policy of transforming our society in the long run and establishing a new state," Cosic says.

As far as Panic and his leadership of some coalition is concerned, I would say, Cosic adds, that he wants to get indirectly involved in the elections.

Asked about the outcome of the elections, Cosic says he is convinced that democracy and the spirit of change would win.

He expects that the elections will bring about a reign of several parties and an end to the (one) party state, that proportional representation and equal electoral conditions will help produce a more complete picture of our manifold society and gather together the democratic and moral forces of the entire nation.

Cosic also expects that new people will be brought into the Assembly who are capable of implementing new policies; that new capable people will be brought into the state administration who are prepared to carry out well thought-out and radical reforms of both the state and society in all areas; and that these people at the top will have the knowledge, understanding and energy to communicate with the whole of the contemporary world.

Asked about his relationship with Serbian President Slobodan Milosevic, Cosic replies:

"As far as our political views and background experience are concerned, we are two very different people. In present circumstances these differences of opinion sometimes lead to serious disagreements and even stand in the way of our cooperation."

"Milosevic and I do not share views on the meaning of democracy, on the character of a new state, on some goals and methods concerning ways of conducting foreign policy, especially our assessments of the consequences of sanctions for the situation in our country and its future," Cosic says.

"Major differences in views became apparent with regard to a number of laws passed by the Serbian Assembly—which had a negative effect on the public. We also came into conflict because of my general support for the government of Milan Panic in the Federal Assembly, a government with which Slobodan Milosevic and the entire Serbian Government, is deeply dissatisfied. Milosevic disagreed in principle with the joint declaration I signed with Croatian President Franjo Tudjman in Geneva. He was also undecided as to where my loyalties lie."

"Our working relationship has been seriously damaged by the occupation of the Federal Ministry of Internal Affairs [MUP] building and the seizure of its office equipment and telephone network. The occupation was carried out by the Serbian MUP when Panic and I were not in the country. In real terms this meant that the federal service of state security was eliminated and that the country's (internal) order was threatened, which must have been effected with the knowledge of Slobodan Milosevic."

"We also disagree on the strategy and tactics of the national and state policy and development," Cosic says.

When asked "Can this lack of unity between you be overcome?" Cosic replies:

"With difficulty. The cornerstones of our nation-building are weak and should be reinforced. Differences in views about the Federal Government and the policy of Milan Panic, coupled with disagreements in economic relations between the Serbian and Montenegrin governments, have led to a worsening of relations between the two republics and confederal elements of the federal constitution have thus contributed to a split between Serbia and Montenegro, a split encouraged by external factors—in their strategic intention to destroy the state unity of Serbia and Montenegro."

"The present situation is untenable. The disparity between Milosevic's policy and mine is wide. It is up to the people—through new parliamentary elections—to adopt a stand on these policies and clearly define a state concept to be implemented. I believe that this is a necessary condition for the start of a new era and an introduction to a more certain future for our country," Cosic states.

Cosic is convinced that in a modern federal state there should be one president of the republic. And that is, as he says, president of the Federal Republic of Yugoslavia.

He recalls that the position of presidents of the republics was introduced by the Brijuni Constitution in 1974, which, as he says, only strengthened the bureaucratic confederation of Yugoslavia, while nothing changed in actual democracy, in national and civic equality.

"I hope that a future constitutional reform will, with sensible reasons, abolish this presidential triad", Cosic says.

Talking about his relations with Federal Prime Minister Milan Panic, Cosic says that they are correct and based on partnership despite "obvious differences between us in political ideas and methods of implementing the state policy."

"Mr. Milan Panic has proven himself to be a capable, business-like and diligent man, so he confuses the company with the state in his work, which does not comply with all norms of state status. With good and patriotic intentions, Panic wants to succeed at any cost. This is the cause of some of his weaknesses and mistakes."

"I ardently support everything that is rational and modern in his activity, everything that serves peace and broadens our communications with the world. His personal mistakes: overconfidence, bias, and some improvized moves, are shortcomings that do not bring into question his great successes in the presentation of our peace-loving policy to the world, especially in the media blockade breakthrough, of great importance for our country whose reputation in the world has been besmirched."

"I know Panic has not managed to lift the sanctions. However, he has done everything a Yugoslav politician could have done under the circumstances, which is worthy of every praise," Cosic says.

In reply to the question: Since you do not belong to any party, what is your state program? Cosic replies:

"Our country is in a state of emergency. There is a question mark over everything. The only thing that is certain for us is lengthy suffering. Around us, within us, and among us there are many enemies, and even more who are apathetic. In order to survive we must collect ourselves, become reconciled and take stock of ourselves and the world. Weave together the threads of trust. Realize that the spirit of tolerance is a moral and not a political principle. Cease the destruction and repudiation of everyone who is more elevated, more powerful, more intelligent, more handsome and better than ourselves. If we come to our senses a little, if we realize that we must work today for tomorrow. No great political intellect is needed to identify a state program."

"I will propose one in a few points: The union of Serbia and Montenegro on the basis of equality and solidarity; the building of a law-governed, modern, economical federal state; resolute democratic changes in the direction of a free society; a renaissance of the civilization of our backward and primitive country; a peace-loving, realistic and intensive foreign policy, particularly vis-a-vis our neighbors and Europe, a policy that should liberate us from sanctions and return us to the international community; the ownership and technological reconstruction and modernization of the economy; the determined and radical solution of the Kosovo question; wholehearted concern for Serbs outside of Serbia and a political struggle for their national rights; an end to the ideological civil war and a call to dispersed Serbs to take part in the renewal of their endangered homeland."

"On these political bases I believe that we should realize national unity, without which the existential issues of Serbia and Montenegro cannot be resolved."

"Parties and individuals with these aims have my support in these elections," Cosic says.

Asked whether there has been any mention of drawing up an independent ticket for the election comprising eminent nonparty personalities, Cosic says that he had not taken part in such activities, but that, dissatisfied with the political scene, he had frequently thought of working on the formation of a national movement for a political, economic and cultural renaissance of the country with nonparty, independent, free people.

Cosic believes that such a movement would "clear our ideological and political muddle, reduce party feuding and herald the inherent political will and the other, more rational conscious being of our nation."

"This is the nation outside the present political parties which does not know who to vote for, not because it is living in an information blackout—it has not been living in information illumination since 1804—but because at a historical crossroads it did not miss the road to freedom and democracy."

In Cosic's view, for the elections to be successful and fair it is necessary to consistently and honestly implement all agreements on the equality of parties in the election campaign; to carry out all party and government decisions adopted at the "roundtables;" for television and radio to allow equal campaigning to all parties and candidates.

"From the time of electoral ticket registration, Radio-Television Serbia should be used exclusively for free, equal, democratic election competition. To do otherwise would be a political crime that will cost the entire nation dearly," Cosic says.

Asked to what extent the extension of the sanctions depends on the results of the elections, Cosic says that the introduction of the sanctions had several motives and far-reaching aims.

"I do not include myself among those who claim that the election results will directly affect sanctions. It is far more likely that the victory of democracy at the elections, the election of people with democratic and moral credibility may affect the easing and reduction of the sanctions and the isolation of the Federal Republic of Yugoslavia. If—God forbid—the opposite happens, long and unforeseeable misery awaits us," FRY President Dobrica Cosic says in an interview in tomorrow's POLITIKA, of which TANJUG received excerpts from POLITIKA today.

Djukic Recognizes Bosnian Territorial Integrity

LD2111164192 Belgrade TANJUG in English 1604 GMT 21 Nov 92

[Text] Budapest, Nov 21 (TANJUG)—Yugoslav Foreign Minister Ilija Djukic has told the Hungarian press that the Federal Republic of Yugoslavia "recognizes the territorial integrity of (the war-gripped former Yugoslav republic of) Bosnia-Herzegovina, has no claims on its territory and opposes any changes of the borders by force."

The Federal Republic of Yugoslavia has been created by Serbia and Montenegro after the disintegration of the original six-unit Yugoslav Federation at the secession from it of Slovenia, Croatia, Bosnia-Herzegovina and Macedonia.

The Hungarian press on Saturday [21 November] frontpages reports of Djukic's talks on Friday with his Hungarian opposite number Geza Jeszenszky. NEPSZABADSAG, the daily with the widest circulation, and the pro-governmental UJ MAGYARORSZAG carry also interviews with the Yugoslav foreign minister.

NEPSZABADSAG headlines that Belgrade is working for peace, primarily in Bosnia-Herzegovina, and highlights Djukic's statement that pressure should be brought to bear on all the three sides to the Bosnian conflict to sit at the conference table in order to reach a peaceful solution to the problem.

Djukic said that Yugoslavia had pulled its troops out of Bosnia-Herzegovina by May 19 and had no more troops there, and was now sending only humanitarian aid to that republic.

In the context of the Serbian province of Kosovo-Metohija, Djukic said he did not incline to the prevalent pessimistic views and that the solution to the problems rested with the local ethnic Albanians, who are the majority population in the province.

"They must respect the territorial integrity of Yugoslavia and Serbia, and then we shall respect their civil and minority rights," said Djukic.

A separatist movement of ethnic Albanians in Kosovo-Metohija has been urging the province's secession from Serbia and Yugoslavia and annexation to neighbouring Albania, while at the same time alleging violations of minority rights.

Djukic spoke of a need for consolidating Yugoslav-Hungarian relations because the two countries depend on each other in many ways, and said that 'Hungary has not always shown understanding for the grave difficulties being experienced by Yugoslavia during the latest changes.'

UJ MAGYARORSZAG gives prominence to Djukic's statement that the Yugoslav Government will not only protect but also enlarge minority rights, including those of the Hungarian ethnic community in Serbia's other province of Vojvodina, where they make up 17 percent of the population.

Djukic Rejects Turkish Conference Initiative

LD2011174592 Belgrade TANJUG Domestic Service in Serbo-Croatian 1530 GMT 20 Nov 92

[Excerpt] Budapest, 20 Nov (TANJUG)—Yugoslavia rejects the latest Turkish initiative for a Balkan conference to review the situation in Bosnia-Hercegovina next week in Istanbul, Yugoslav Foreign Minister Ilija Djukic said in Budapest today.

"The very fact that Yugoslavia has not been invited to this hastily arranged conference throws doubt on the aims of such a gathering," Djukic told TANJUG. He reiterated that "it is absolutely unacceptable to hold any talks, in particular an international conference on the Yugoslav crisis, without Yugoslavia. I do not believe such a gathering could provide support for the peace process already under way in Geneva," Djukic emphasized.

Djukic arrived in Budapest yesterday on his way back from New York. He held talks today with Hungarian Foreign Minister Geza Jeszenszky and Gyula Horn, chairman of the foreign policy committee. Commenting on the Turkish proposal, Djukic said it was discussed in talks with Jeszenszky and that both sides believed an

increasing number of international conferences on Yugoslavia at this time was not beneficial; instead, efforts should be concentrated on the Geneva conference. [passage omitted]

Sanctions Body Allows Exemption for TV Equipment

LD2011180392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1418 GMT 20 Nov 92

[Text] Belgrade, 19 Nov (TANJUG)—Dragan Kojadinovic, director of the Studio B independent television station told TANJUG today that the UN Committee for Sanctions allowed his television station to import necessary equipment. At the proposal of Great Britain, the committee decided in New York yesterday that the Studio B independent television station could import equipment and that independent print media in Yugoslavia could import newsprint, Kojadinovic said.

Studio B learned this today from the Federal Ministry for Foreign Affairs. Kojadinovic assessed this "as important for several reasons," above all because it hinted at a different, more selective approach to sanctions against the Federal Republic of Yugoslavia.

Kojadinovic said that the latest decision of the UN Committee for Sanctions is a clear sign that sanctions would not punish everyone, but that help would be provided for "those fighting for the development of democracy and for freedom."

Studio B today thanked Great Britain not just for the understanding it displayed for the problems besetting Studio B, but also because "in this way it is helping the development of independent and free journalism in our country."

Belgrade TV Criticizes Decision

AU2011202892 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 20 Nov 92

[Commentary by Stefan Grubac]

[Text] According to what agencies report, the UN Committee for Sanctions has lifted one of the sanctions at the request of the British Government. It allows the importing of equipment for the so-called independent press and the so-called independent television. Of course, this news has pleased the Yugoslavs, but it has at the same time provoked unpleasant memories and associations. Namely, along with inevitable questions of why this decision was timed only one month before the early elections in Serbia and Yugoslavia and whether there will be time at all for the so-called independent television stations to increase the number of viewers before the elections, one must wonder about the motives, morals, and humaneness of the people who made this decision, obviously under maximum pressure by the current U. S. Administration, which, according to the will of the American people, will have to leave the American and world political scene in January.

Therefore, only a single demand made by Mr. Panic [Yugoslav prime minister] was met: the importing of the equipment for the so-called independent media. It seems that the naivete of the Serbian people is really being counted upon: The Serbian people will allegedly think that those people who are approving of and paying for this equipment are going to allow the media to be beyond their control. Therefore, those people who deprived the Serbian people of everything they could—and who, if they only could, would forbid the Serbian people to breathe, just as they deprived babies in Banja Luka of oxygen—are offering this people some regulated information, information taken on prescription. They abolished medicines to patients in Serbia, but they offer them information. They have abolished medical equipment, but are generously sending media equipment. They abolished oil for heating schools, hospitals, and kindergartens for Serbian children, but they are offering them news.

They want to force political literacy on the people who had its first primer two and half centuries before the greatest global power came into being. They, who denied the Serbian people the right they granted the others—the right to self-determination about the way to live—are now offering their stories about the matter. They, who proclaimed Serbia and Serbs alone to be the culprits, encouraged other sides in the conflict, and thereby most directly caused war, are now offering stories saying that Serbs should blame Serbs alone for everything happening to them. There is no end to their cynicism. Of course, the best medicine against this cynicism is the Serbian people's own will and choice. The fact that this choice does not primarily depend on the media, but on the relations between political forces, is confirmed by the latest statement by a federal minister, Mrs. Radmila Milentijevic, to the effect that, apart from one newspaper, the entire Belgrade press supports the opposition.

New Transmitters for Independent TV Station

LD2011222192 Belgrade TANJUG Domestic Service in Serbo-Croatian 1649 GMT 19 Nov 92

[Text] Belgrade, 19 Nov (TANJUG)—Dragan Kojadinovic, the director of the independent television Studio B, has told TANJUG that this station's new transmitters on the mountains of Goc, Rudnik, and Fruska Gora will enable the establishment of a strong "backbone" for the future network which will in due course cover not only Serbia but also the entire FRY.

The decision of the FRY to give three new frequencies to Studio B is encouraging for the employees of this station; Kojadinovic cautiously said that this independent television station has never received anything without problems and that is why he does not expect that everything will go smoothly this time either.

"We received these frequencies from the Federal Ministry for Transport and Communications, which is competent for this area in accordance with our Constitution, European legislation, and the documents of the world

association of broadcasting institutions", Kojadinovic said, adding that recently the Republic of Serbia gave a number of frequencies to the users who showed interest. "The Republic of Serbia thinks that it is more competent", Kojadinovic said, adding that the Serbian Government believes that the definition of frequencies as "general public commodities" means that the republic authorities own them.

Government Responds to Mazowiecki Report

LD2011232492 Belgrade TANJUG Domestic Service in Serbo-Croatian 1934 GMT 20 Nov 92

[Text] Belgrade, 20 Nov (TANJUG)—The FRY Government has issued a statement from its session today in response to part of a recent report by Tadeusz Mazowiecki, special envoy of the UN Commission for Human Rights. The FRY Government wants to stress that certain parts of the report were not precise and that assessments of the human rights situation on FRY territory were superficial.

To begin with, the government wishes to point out that immediately upon coming to office it undertook a number of measures for the improvement and protection of human rights in accordance with the FRY Constitution—almost one third of constitutional provisions are devoted to the protection of human rights. The government created a special ministry for the protection of human and minority rights. It condemned and rejected the policy of so-called "ethnic cleansing" and on its territory it energetically prevented individual and group attempts to force out non-Serbs. Those who committed or were accused of such acts were put on trial. Those who were afraid and decided to move—and this was in no way a "mass occurrence"—were offered full guarantees that they would be compensated and allowed to return to their homes.

The Federal Government stresses that more than 500,000 refugees were accepted on the territory of the FRY without any discrimination. These refugees were not only Serbs but also Muslims and members of other ethnic communities. The number of the refugees is constantly growing and their misfortune is made worse by the fact that they are the group which is most affected by the harsh sanctions imposed by the international community against the FRY. Without underestimating the aid that the world is giving to the refugees, the federal government thinks that the aid given to the refugees on the territory of the FRY is not adequate when compared with their needs. It seems that these refugees are discriminated against in comparison to those who fled to other parts of the former Yugoslavia. Entering the winter with the burden of sanctions, the FRY and the huge number of refugees it accepted are faced with problems which they cannot solve without a more just distribution of the aid that the international community is giving through its humanitarian organizations to the refugees on the territory of the former Yugoslavia.

On this occasion, too, the federal government wants to stress that it is doing everything within its power to stop the war on the territory of the former Yugoslavia, in Bosnia-Hercegovina in particular. Although the efforts of the international community in this direction are valuable, it is difficult to accept the standpoint that the Serbs in Bosnia-Hercegovina are if not the only culprits then the greatest culprits for all the brutalities taking place there.

As far as the situation in Kosovo and Metohija is concerned, the Federal Government has taken steps to establish a dialogue with local Albanians with the full consent of the Republic of Serbia authorities. The Federal Government expresses the hope that a process of confidence building and improvement of the status of all the inhabitants of this province will be opened, depending also on an increased readiness on the part of the Albanian side to accept the realities regarding the impossibility of changing the borders and the state and legal status of the territory of Kosovo and Metohija.

There is no doubt that Albanians are disproportionately represented in public services and other institutions. However, the claim that they are "completely eliminated", as Tadeusz Mazowiecki's report says, is incorrect.

Of 284 employees in the provincial bodies of state administration, 90 are Albanians. There are 11,980 people employed in the health service, of whom 8,498 are Albanians. The Federal Government recalls that the withdrawal of Albanians from a certain number of working posts was used by their leadership as an instrument for implementing their goals. According to the opinion of the FRY Government, it would be difficult to prove the claim about the planned "undermining of Albanian culture". Kosovo Albanians today publish and distribute, without any hindrance, around 20 newspapers and magazines, and they have daily radio and television programs in their own language. Last year 40 books were published in the Albanian language in more than 3 million copies. There are more examples such as these. Kosovo Albanians also enjoy complete religious freedom. There are more than 500 mosques in the province. Finally, in accordance with a joint assessment made with the Government of the Republic of Serbia, measures are being taken to abolish "the laws on special circumstances", which were adopted earlier to prevent the worsening of the situation.

As far as the situation in Vojvodina is concerned, the Federal Government asserts that Tadeusz Mazowiecki's report gives the impression that the situation in Kosovo-Metohija is practically equal to the situation in that republic, which is absolutely not true. It is a fact that a certain number of refugees displayed intolerance toward members of other nations (Croats, Hungarians, and others), to which the authorities reacted. It is also true that some Croatian families moved to Croatia while the conflict was still going on, but Mazowiecki's statement that 90,000 Croats and Hungarians escaped from the

FRY is absolutely incorrect. His claim that about 150,000 refugees—who are sheltered there, according to estimates which he obtained—will permanently remain in Vojvodina, and that the property of Hungarians, Croats, Slovaks,and other nations will be confiscated, is not based on fact either. The Federal Government stresses that no one's "property was confiscated" in the FRY, nor does such a possibility exist at all, since private property rights are guaranteed. Besides, the FRY advocates the return of all refugees to their regions.

The Federal Government considers Mazowiecki's conclusion that Sandzak is "a potential hotspot for conflicts" exaggerated and tactless. There were cases of some reservists provoking and threatening Muslims, but his conclusion that "the stand of the Yugoslav Army and the Serbian authorities is a potential source of the escalation of conflicts" is incorrect. On the contrary, tensions have been eased through energetic measures taken by the authorities. It is true that there are cases of Muslims moving out of border municipalities, but the claim that their number has reached 70,000 is yet another proof of the careless use of completely unverified data. The Federal Government says that Serbs and Montenegrins are moving out of those areas as well, for example, 100 from Rozaj. Finally, not only are the claims about destroying mosques in the area concerned incorrect, but in the entire territory of the FRY, not a single mosque has been destroyed or burned down.

In the statement from today's session concerning parts of Mazowiecki's report, the FRY Government does not bring into question his good intentions and the good intentions of the team of experts who make up the commission, or their intention to present the situation objectively. The government only wants to point out the problems which superficial and hasty conclusions can create. The more so, because such imprecise assessments and conclusions made on the basis of still superficial impressions cause the feeling in the FRY's public opinion that not only this commission, but other international commissions as well, are not objective. For these reasons, the Yugoslav authorities at all levels are already doing everything to offer all necessary assistance to such missions in order to establish the true state of affairs as correctly and as precisely as possible, the statement says.

General Panic Discusses New Missile System

AU2011184392 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 20 Nov 92

[Text] General Zivota Panic, chief of staff of the Yugoslav Army, visited Valjevo. During the visit, Panic said that Krusik, the biggest Valjevo collective will produce the largest missile production [raketni proizvodni] program in the country in the near future. Here is a report by Valjevo Radio reporter Daria Rankovic:

[Begin recording] Apart from the already existing special-purpose program, the future of Krusik also lies in the development of the civilian section of the production lest it feel shock in the case of a fall in production in the military section. This was what General Zivota Panic pointed out during the talks with the head managers of the biggest Valjevo collective, Krusik. Such a statement was prompted by the speech by Branko Savcic, director of the Krusik Holding Corporation, who said that the special purpose production constitutes as much as 70 percent of the entire production, but that in this year only 65 percent of this special purpose production has been realized due to well-known reasons: the shortage of raw materials and of certain spare parts and components for military industry that used to be produced in the former Yugoslav republics, and for another, no less important reason, finances. Namely, at the moment, Krusik owes its distributors and banks more than 1,800 million dinars. On the other hand, the Army owes Krusik more than 1,200 million dinars. If the question of debts and finances is solved, a healthy Krusik will be created that would be able to continue the realization of the present programs and start new ones.

Gen. Zivota Panic spoke about new military industry programs and pointed out that in the near future, Krusik will produce a missile production system that is even more modern and powerful than previous ones. With its own technology and cadres it will also take up the slack in the special-purpose production created by the breakup of the military industry system in former Yugoslavia. The Army is going to meet its financial obligations toward Krusik by the end of the year, Gen. Zivota Panic pointed out.

Gen. Panic concluded his visit to Valjevo by visiting Srbijanka, the biggest food processing factory in our commune and the local military garrison. [end recording]

Commentator Denounces UN Naval Blockade

AU2311101792 Pristina TVP Television Network in Serbo-Croatian 1830 GMT 22 Nov 92

[Commentary by Miroslav Lazanski]

[Text] The naval blockade of the Federal Republic of Yugoslavia, based on a UN Security Council resolution, comes into effect tomorrow afternoon. What does this mean in practice?

Before we answer this question, one should say that a naval blockade in peace is in contravention of international law, and that, therefore, there are some special rules about it. Nevertheless, it is primarily applied against ships that bear the flag of the country against which the blockade was introduced. The seizure of ships and their cargo is of a temporary nature. In practice, one should of course expect the ships from the WEU and NATO to stop and check all ships sailing to or from Yugoslav ports.

From the legal point of view, this is the first real act of war against the Federal Republic of Yugoslavia, yet another in a series of unjust and unprincipled acts

against our country by the international community. However, the blockade has been introduced and we have to deal with it.

Yugoslavia is obviously a hostage of the civil war in Bosnia-Hercegovina and a broader scenario of the destabilization of southern Europe. In all this the United Nations and the UNPROFOR are only a mask for the silent occupation of the entire region. There is no point in counting any longer all the incidents in which some members of UNPROFOR have demonstrated their bias and partiality: attempts illegally to smuggle arms and uniforms, the dropping of arms from the low-flying relief planes, the blockade of some bridges and roads, control of these bridges, the presence of elite military formations of France and Great Britain in this region, as well as the deployment of heavy armored equipment that exceeds the needs of pure protection of humanitarian corridors.

The U.S. military hospital in Zagreb, the logistics center in Split, the AWACS planes above Hungary and the Adriatic, foreign mercenaries and instructors in Albania, threats from Tirana, Albanian-Bulgarian-Turkish military agreements, and even the announcement by van Eekelen that the naval operations by the WEU could be turned into land operations in the future, do not represent a full picture of the foreign military presence in this region. Various monitors and observers, chairmen and cochairmen, delegations and commissions, and commissioners are roaming Yugoslavia, visiting military airports, even looking under the tanks, checking their serial numbers, saying, with a smile, that this is for our own good.

The gentleman in a yellow sweater, Mr. Genscher [former German foreign minister], who has gone, has meanwhile been replaced by a gentleman in a red sweater, a failed British politician, Lord Owen [cochairman of the Conference on Yugoslavia], but the way of behaving and cynicism remain the same.

Will we, therefore, in the future, when the first real war measures are taken against Yugoslavia, welcome foreign monitors, observers, and cochairmen with the same kindness and attention? What can we offer them so that their smiles do not freeze? Even though TIME magazine published some two and half years ago a map of how the former Yugoslavia will disintegrate, showing exactly the borders that exist at present, isn't it high time to clearly establish the limits of the national interests beyond which no one in this country can go under any conditions in any negotiations. Only in this way, and with the maximum military readiness, can we prevent the war conflagration from spreading to this area, and perhaps to the entire Balkans.

Possibility of Wiretapping Investigated

AU2311081392 Belgrade BORBA in Serbo-Croatian 13 Nov 92 p 13

[Report by G. Katic: "Well Tuned Service"]

[Text] After the unofficial news that certain police services were wiretapping President Dobrica Cosic of the Federal Republic of Yugoslavia, yesterday BORBA tried to find out the possibilities, methods and capacities of our spy service.

"If the police want to, then there is no place that a person cannot be wiretapped," we were told by our source (who is very well versed in these things as the following text will show), adding that the only safe place where one could speak without being heard was—an empty swimming pool.

Claiming that both the federal and the Serbian centers of security had state-of-the-art equipment of this kind, our source told us that the police do not decide who is to be wiretapped. The police can propose a person to be wiretapped, but whether that will happen is up to the most important politician on a certain level. If it is on the republican level, the president of the republic will most often decide. On the federal level, the decision is made by the Presidency, that is, in the earlier system, the member of the Presidency who was in charge of the protection of the state order. If it is a case of "small fry," the decision can be made by the deputy minister for state security.

The direct executor of the task is the department of the Federal Ministry of Internal Affairs, connected to federal bodies (for counterintelligence), while the Republic Ministry of Internal Affairs is in charge of people who are under operative political processing. It is interesting to note that in the period 1984-85 in Serbia proper alone there were between 500-600 intellectuals under operative processing as "internal enemies."

There are three ways to wiretap: telephone tapping, bugging the rooms of the people who are interesting from a security standpoint, and using directional microphones in open spaces.

Telephones are bugged in a simple way as the security service links onto the telephone number of the targetted person in the post office. Either whole conversations or chunks of conversations are recorded, or the tape recorder is programmed to activate itself upon hearing certain words, for example, state, Kosovo, Milosevic.... There are individuals who listen to these tapes later and put together operative pieces of information for the management. Collective operative information is created out of several operative pieces of information.

Rooms are bugged with tiny sensitive microphones that are placed in various places in the room. They are placed by operatives who enter a room secretly. They usually work in pairs, they do not carry any identification, and if they are caught they say that they are thieves. Meanwhile, another group is guarding the building. The problem with these so-called "bugs" (the size of a pinhead) is that their batteries run out after six months. They are replaced the same way they were placed initially.

Our source claimed that it was possible to tape conversations in open space at any distance that was safe for the policeman (as had been proven in the case of Spegelj.) It can be done in two ways: with a system of open and directed microphones, but the vehicle with the complete equipment has to be nearby, or by sticking the "bug" on the clothes or in the wardrobe of the target.

Clinton's Future Policy on FRY Questioned

93BA0177C Novi Sad DNEVNIK in Serbo-Croatian 5 Nov 92 p 8

[Article by Jan Briza: "New Policy?"]

[Text] Will the new President of the United States conduct a new policy toward the FRY [Federal Republic of Yugoslavia]? And if so—what kind? For us, that question is certainly more essential than all the others which might be put concerning the election victory of Bill Clinton.

The answers will probably not be long in coming. In the meantime, it is not a bad idea to recall some of the statements which Clinton made before he became the chief of the White House. We should, of course, bear in mind in this connection that campaign rhetoric must not be taken at face value by any means, and still less as a definitive program of action after taking office. The crisis on the space of the former Yugoslavia was given a notable place in Clinton's first campaign speech devoted to foreign policy. At that time, in early April in New York, he warned that the military conflicts in the Balkans are one of the five threats to world peace in the post-Cold War era which has just begun. Clinton referred to the armed conflicts between the former Soviet republics as the greatest danger to global security, and then the spread of nuclear, chemical, and biological weapons, and also the growth of regional tension in the Near East and on the Korean Peninsula.

The five threats to world peace he mentioned were not any original discovery of Clinton's. George Bush had the same list in his pocket. Clinton, much like Bush, is an avid advocate of the idea that following the Cold War the United States must retain leading global position and do so on the economic, on the political, and on the military plane.

The differences between Bush and Clinton can be seen mainly in the manner in which they think the objectives can be achieved. Especially when it comes to the use of force. In this regard, Bush agrees with General Colin Powell, chairman of the Joint Chiefs of Staff of the U.S. Armed Forces. And according to Powell, the Armed Forces cannot be committed unless this means a massive use of force, minimal risk of the loss of human life, and a certain victory. In Bosnia-Hercegovina, in the assessments of U.S. military experts, these conditions cannot be met.

Clinton has said that there are moments when limited military force needs to be used in order to back up diplomatic initiatives. Applied to the example of Bosnia-Hercegovina, this argument of Clinton's was articulated in the announcement that the United States should be ready to join international forces to guarantee the advancement of humanitarian aid to the Sarajevo Airport.

Will Clinton stick by the argument contained in his campaign rhetoric? It is not very likely, at least not when it comes to resorting to force without much forethought. After all, criticizing Bush for being "lukewarm" concerning the U.S. role in the unraveling of the Yugoslav crisis and sending the U.S. Marines to the bloody Balkan battlefield is something quite different. And that is why both Clinton and Bush will most probably stick with the professional assessments and Gen. Powell's advice.

Serbia

Milosevic Nominated SPS Presidential Candidate

LD2011155092 Belgrade TANJUG Domestic Service in Serbo-Croatian 1437 GMT 20 Nov 92

[Excerpt] Belgrade, 20 Nov (TANJUG)—Slobodan Milosevic is the presidential candidate of the Serbian Socialist Party [SPS] at the forthcoming republic elections, SPS Secretary General Milomir Minic announced today. Minic explained at a news conference that Milosevic's candidacy for Serbian president "reflects the mood of the broad section of the population and expresses the trust that he enjoys among the Serbian people and all citizens of Serbia."

Journalists also were informed about SPS lists of candidates at the federal elections. According to Minic, the SPS candidates provide the best guarantees that efforts for a peaceful political and democratic resolution and for a preservation of peace in Serbia will continue.

The leading SPS candidate on all lists is Slobodan Milosevic. The following are leading candidates on individual lists: Vladislav Jovanovic (Belgrade); Dr. Jovan Radic (Novi Sad); Dr. Radoman Bozovic (Zrenjanin); Milomir Minic (Uzice); Dr. Borisav Jovic (Kragujevac); Dr. Ratko Markovic (Smederevo); Mile Ilic (Nis); Ivica Dacic (Leskovac); and Tomislav Sekulic (Pristina). [passage omitted]

United Opposition Needed To Remove Milosevic

93BA0198A Belgrade BORBA in Serbo-Croatian 7-8 Nov 92 p VIII

[Article by Nenad Canak: "The Blessings of a Permanent Gulag"]

[Text] *Waiting for Slobo; in the event that Milosevic really is threatened by the federal authorities, he will "push" Montenegro out of the Federal Republic of Yugoslavia [FRY] and with its departure eliminate the so-called federation, and then its bodies; and what he thinks*

about those bodies was vividly shown by the occupation of the Federal Ministry of Internal Affairs.

Waiting for Slobo, a large number of people whom I meet kill time with stories about how the "head of the state and party's" time has run out, how his departure is a question of days, etc. This self-encouraging assessment is very acceptable and attractive, but it has one serious defect: It is not true.

There are several parties and factions in Serbia, but there is no multiparty system. That is a consequence of the fact that the functioning of society still takes place through the remnants of the one-party regime's machinery, established for half a century, which does not permit any influence upon the authorities from outside. Consequently, the authorities cannot be influenced, changed, or overthrown in any other way except from within, i.e., from a position of authority. Anyone who tries to do it from a different position will be destroyed by the rusty but still effective instruments from the best traditions of the NKVD [People's Commissariat of Internal Affairs], the OZN [Department for the Security of the People], the UDB [State Security Administration], KOS [Counterintelligence Service], and similar state-terrorist organizations or their successors.

Because of all the above, the only serious hope of overthrowing the Leader is inspired by another authority, the federal authority of the Federal Republic of Yugoslavia [FRY], embodied in President Dobrica Cosic and Prime Minister Milan Panic. In other words, it is only by siding with the federal leadership that we can really put an end to the horror of national-socialism in Serbia.

Invented Conflict?

If we recall, however, the fact that Cosic created Milosevic, and Milosevic brought Panic, one can easily believe that the conflict between them was invented precisely for the needs of Milosevic's survival in power. Panic has focused his entire involvement to date upon international activity (in which S. M. has had more than modest results), and he achieved a great deal of it precisely over recognition of Milosevic's monstrous creation, the FRY. In a feedback effect, a need was also created among the domestic public to believe in the phantasmagorical FRY in order to have at least some sort of protection against Milosevic's violence. Dobrica Cosic signed the agreements that Milosevic was not able to sign (the talks with Tudjman [Croatian president], the surrender of Prevlaka), and also worked hard on the recognition of the FRY and on finding a way to keep the territories conquered in the 1991-1992 wars under Serbian patronage.

Both Panic and Cosic have (assuming that there is an agreement with Milosevic) only two more goals: the first is eliminating the sanctions, and the second is inducing the opposition to participate in the elections, without money, television, or an infrastructure (which could not even be properly created), to start a conflict between the opposition and the SPS [Serbian Socialist Party] through pre-election wages and pensions, to force it to accept an unrealistic number of electoral districts, and to put it in a situation in which it will lose. The opposition's failure in the elections (accompanied by the SPS's commentary "The majority system didn't help you, and now the proportional system didn't help you, and so we can't create a system in which the opposition will win if the people don't want it") would mean a definite consolidation of Milosevic's power, Cosic's return to his books, and Panic's return to his multiplied California dollars. The recognized FRY would be taken over by Borisav "Tie the horse where the boss tells you" Jovic, and the prime minister's armchair would be taken over by the radical doctor Vojislav [Seselj, head of the Serbian Radical Party]. The opposition would no longer be able to explain anything, and the international public, without much consideration, would definitely throw up its hands and leave us to the blessings of many years of the gulag that we ourselves chose in democratic and fair elections. S. M. will remain in power, and go on (whoever thinks that it cannot happen should recall Saddam and Qadhafi).

Pushing Montenegro

In the event that the conflict between Cosic and Panic, on one hand, and Milosevic, on the other, is nevertheless a real one, the great master of the unpredictable also has an answer to that.

A few days ago I received information from people in Montenegro that they were surprised by the behavior of the ruling party, because it was leaning more and more toward the "green" opposition, i.e., toward a sovereign Montenegro. It is well-known that the "green" opposition is expanding, but how can one interpret the behavior of the regime, when one knows how it came to power and thanks to whom?

The answer is simple. In the event that Milosevic is really threatened by the federal authorities, he will "push" Montenegro out of the FRY and through its departure eliminate the so-called federation, and thus its authorities as well; and what he thinks of those authorities was vividly demonstrated by the occupation of the Federal Ministry of Internal Affairs by the Republic Ministry of Internal Affairs. The disappearance of the FRY would create possibilities for calling for "unity of all the significant political factors in Serbia," a "governmental for the national salvation of Serbia" could be created, and thus all the more significant opposition leaders would be bought with ministerial and ambassadorial armchairs, and S. M. himself would be the leader of the state and party, as well as the commander in chief of the Serbian Army, even if the governments change.

In that situation, it would be easy to stage an imitation of war in Kosovo (let us recall Slovenia, for whose independence in the "war of liberation" as many as five members of the Slovene TO [Territorial Defense] died, along with a lot of unfortunate young fellows from the JNA

[Yugoslav People's Army]. Such an imitation of war would serve well to get rid of the southeast part of Kosovo, and would be a basis for concluding a peace in which the Albanians, "under unfair pressure from the West," would be left most of Kosovo's territory. In return, under the slogan "if all Albanians can be in one state, why can't the Serbs?", the Krajinas would be annexed to Serbia under the euphemistic name of a "Serbian (con)federation." Serbia would shift toward the wealthier northwest, in the final analysis its territory would be expanded, Montenegro could not resist the embrace of its increasingly larger Big Brother for long, Macedonia, the "island on land," in the end would have to surrender or sell itself, and Moljevic would finally be satisfied, at least posthumously. S. M., the "unifier of the Serbian lands," would remain in power and go on.

In order to avoid having either of the above two scenarios happen, the opposition has to unite, and, united, it has to support the federal government's program, along with Panic personally, but it must not have blind faith in him. Serbia is so tired of leaders that it will die of exhaustion. Let us try anything else, as long as it is peaceful.

Opposition Reportedly Calling for 'Putsch'

AU2011210492 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 20 Nov 92

[Text] Here is another aspect of the electoral campaign: The fact that some of the opposition parties do not care much about the democratic elections and creation of the optimal conditions for the elections is proved by the latest issue of SRPSKA REC, the paper of the Serbian Renewal Movement. In the article, entitled "The Salvation of the Country and the Nation," the following is stated:

Many view the historically essential task of stopping [Serbian President] Slobodan Milosevic by a sort of a military putsch, which has been rumored increasingly loudly in the country and abroad, as an undemocratic action. In principle, this is correct. However, can the minimal conditions for a democratic society be reached while Slobodan Milosevic holds power from which nobody can and ever will remove him by any democratic means, and especially not by the elections in the shadow of his own armed force and the strongest media? Really, what are the generals waiting for? It is high time for them to join the democratic opposition and in this way save the country and the nation, writes the latest issue of SRPSKA REC.

Belgrade Has Enough Oil To Last Until January

LD2011140592 Belgrade TANJUG Domestic Service in Serbo-Croatian 0938 GMT 19 Nov 92

[Text] Belgrade, 19 Nov (TANJUG)—We have enough heating oil for Belgrade until January, Belgrade Government Vice Chairman Dobrivoje Perovic told a TANJUG journalist today. We are working hard to secure heating oil necessary for the rest of the winter from domestic sources, Perovic stressed, adding that it is necessary to save oil.

Perovic believes that citizens using coal for heating are in a much better position. He suggests that everyone who can convert their heating systems to coal should do that. There will be enough coal, Perovic stresses, but it will be of inferior quality. Since there is no import of coal from Bosnia, which met around 70 percent of our coal needs, we are forced to use Serbian and Montenegrin coal, Perovic said.

There is enough electricity, he stressed, but we will only be able to use the same amount as last winter, otherwise the distribution network will be overloaded.

Gas supplies have been cut off, but we have some gas for industry, the vice chairman said, stressing that the city government will ask the republic government to divert some quantities of gas from production to Belgrade heating plants.

Turkish Goods Fill Novi Pazar Market

AU2211205392 Pristina TVP Television Network in Serbo-Croatian 1830 GMT 22 Nov 92

[Report by Zarko Joksimovic from Novi Pazar]

[Excerpts] The tension in Novi Pazar has been easing lately. The chief evidence of that is that the Party of Democratic Action has decided to take part in the federal elections. This decision is the final proof that the moderate faction led by Rasim Ljajic has prevailed in the Sandzak branch of this party. Sulejman Ugljanin, it seems, has submitted to reality and the rational members of his party.

From Novi Pazar, where the idea of secession for this part of Serbia used to be promoted, this hot potato has been tossed into the hands of the people of Sjenica and Pestar. This idea seems to be evaporating on the border with Bosnia, because in the meantime, despite all the horrors of the war in Bosnia-Hercegovina, economic concerns in Novi Pazar have surpassed the political ones. [passage omitted]

The blockade does not seem to affect the Novi Pazar merchants and their hundreds of trucks in the least. Everything for which there is any interest here is brought from Turkey via Bulgaria. Over 10,000 people from Serbia alone get all their weekly provisions here: foodstuffs, shoes, clothes, and miscellaneous equipment. [passage omitted]

Article Details Black Market Activity

93BA0203A Belgrade NIN in Serbo-Croatian 5 Nov 92 pp 30-31

[Article by Slobodan Ikonic and Svetlana Djurdjevic-Lukic: "The New Class: Peddlers of Power"]

[Text] At Bukovicka Banja in Arandjelovac, the logo and name "S Pannonia Komerc" are encountered at every step. You can take a trip arranged by the tourist agency of this company, you can stay in one of their hotels, you can get your exercise in one of their athletic clubs, their booking agency will arrange music hall entertainment for you; you can withdraw money from the bank's office, which is also owned by the company, you can insure yourself with their insurance agency, in their shopping center you can stock up on some of their products, or in your free time you can read a book from the publishing house which uses "S" as a trademark.

S Pannonia Komerc is one of a number of private firms along the lines of Braca Karic, Jugoskandik, Dafiment Banka, Stankom, Raul Amon, ABC-Produkt, Interplast-Trejd, Goma.... Their owners and managers represent a stratum of new private businessmen, the first postsocialist moneybags.

"The essence lies in reacting quickly. What you can do today, do not leave for tomorrow! It means a lot to have a free hand in decisionmaking. There is no self-management, long meetings, various clearances, but only work, persistence, respect, responsibility.... Things are clear here: Either you engage in a business or you do not. Without constant development and investment, you should not engage in that business. With good judgment of people, projects, associates, and absolute integrity in your business dealings, you cannot fail," is the explanation of this success given to NIN by Vladimir Siska, president and owner of the private holding company S Pannonia Komerc, which is made up of 18 legal entities with more than 30 principal lines of business and 1,400 employees.

"There are powerful interests and powerful social groups behind the war and in favor of the war. War is not just a lot of killing or defense of life itself, or a fight for real and illusory national objectives. For one segment of society it is big business, big thievery, and a great opportunity for social advancement in the fast lane. By methods which most often are on the other side of the law," Dr. Zoran Vidojevic, scientific adviser in the Social Sciences Institute, told NIN.

What Is No One's Becomes Someone's

Many firms have acquired immense capital in a year or two which would not be possible under normal market conditions. Another of the well-known market firms is Stankom, a joint stock company that builds, buys, and sells housing. A large portion of Stankom is the property of the company's president Zivadin Mihailovic, known as Zika-Mustikla. By contrast with a majority of newfound private businessmen who have arisen out of small business or acquired their capital abroad, Zivorad Mihailovic, about whom various stories are circulating—that he is a mafioso, that he has connections, that he does what he pleases—has spent his entire working life as an enterprise director in the socialist sector and in enterprises related to housing construction.

"I was among the first to seize the moment and create an enterprise which by my lights is ideal. The construction industry is in an unenviable situation at the moment. Inflation is taking its toll. It is getting more and more expensive and difficult to find customers. But I do not agree with the word 'survive.' Viewed theoretically, if someone does not survive, he will die. I want to see invigoration, invigoration of public works in general. Except for enterprises that represent a real public interest, all the rest should be privatized, but our individual enterprises should not be allowed to go to the brink of disaster and then go looking for someone to take them over for a song. All capital requires clear and precise rules of the game. What is no one's must be urgently cast aside wherever possible," Mihailovic told NIN.

The government is trying to create a sense of legal insecurity instead of doing the opposite, because in that confusion it itself can turn a profit, says Dr. Danijel Cvjeticanin, professor in the School of Economics.

"The way to get rich in wartime is to create an atmosphere in which people are ready for denial, then that climate is perpetuated much longer and a certain stratum of society takes the results of people's denial for itself," that economist believes. "We all know that what we have, we have until it occurs to one of the 'patriots' that that is just what he needs. Some of the patriots have already taken your house at the seaside. It is quite possible that soon they will requisition your house on Dedinje as well. When the republic police can occupy the property of the federal police, you can forget about legal security."

One of the possible versions of the outcome, as our false patriots imagine it, goes like this as Professor Cvjeticanin sees it:

"The idea is to get together as much hard currency as possible in one place. At a certain point in the general collapse, when everything comes to a halt, when all the reserves have been exhausted, there will be some traitor, some new Panic. The cry will go up: Treason, treason! The leadership packs up. The fat cats crowd into airplanes and flee the country with suitcases full of dollars and gold."

Everything is possible.

The Pistol System

"The banks that are paying extremely high rates of interest could not survive without ties to the government. From the standpoint of holding onto power, reproduction of the system, this is logical—any connection to the institutions and people who can help to maintain that structure of power. Aside from that, the linkage between some of the so-called political structures and the newfound rich is exceedingly dependent upon the sanctions. Isolationism is a splendid chance for the government, which is indeed surviving on the basis of isolationism and the war strategy," says Mr. Vidojevic.

Standards have been completely turned around. A situation has been created in which the person who drives in a tank truck of petroleum is no longer a smuggler, but a patriot. And on the other side, it suits world capital for there to be such countries where high profits are reaped.

Radosav Rodic, president of ABC-Produkt, backs this up:

"Serbia is an El Dorado when it comes to realizing profits with tricks and abuses. This is a situation in which 'the worse it is, the better it is.' Various enterprise directors and officials have started firms in the names of relatives and friends and they direct and channel all the business toward those firms. This is stealing from the state, pure and simple. Because socially owned property is anyone's, people have simply learned to steal. Some 1.5 million marks were stolen from my department store by former enterprise directors in the Beograd chain of department stores who while working for me continued to do what they had been accustomed to there. I have even had the case of a man who came to my firm from Jugoeksport, where he was Mr. Andjic's right-hand man. My thinking was this man knows his stuff. But actually all he knew was how to steal. A federal deputy would come and ask for certain favors, otherwise he would put a question in parliament concerning me. Where is the security under the law?" Mr. Rodic wonders. "This is what you might call a 'pistol system.' In keeping with the well-known slogan 'dog eat dog.' Until our business executives and politicians put their hands in their pockets to pay the damages which they have caused themselves and others and until they put in their pockets only what they have earned and deserved through their work, there is no salvation for us."

It All Begins With Theft

How is the line to be drawn between privatization, which is desirable, and theft and monopoly?

The pathway of the transition from the socialist to the capitalist system has not been worked out in either theory or practice, explains Dr. Mladen Lazic, professor of sociology in the School of Philosophy, for NIN.

In Professor Lazic's assessment, in all those societies, especially those where civil war is being waged, two processes are encountered: On the one hand, members of the old nomenclature are engaged in large-scale private theft of public property, while on the other there is thievery on other foundations (war booty, smuggling, rackets). And the government itself engages in those extralegal and criminal transactions within the legal and economic system so that it can function at all under the conditions of the blockade and the sanctions.

"However, the leaders of the political parties do not dare to say," Professor Lazic emphasizes, "that in the great evil there is also a good side. That is, capitalism also basically began with thievery, under similar circumstances in which there was no legal system, in which there was an immense uncontrolled space where what is referred to as primitive accumulation could take place. In some long-term view, that system of thievery is probably the quickest way to establish that kind of system."

It takes at least another generation to purify capital and transform it into productive capital, i.e., for it to take on its normal function.

The immense impoverishment of the population cannot be blamed on those who are getting rich. They are taking advantage of favoring circumstances, but the population is going to ruin because of the disintegration of society and the state.

"That is what is dangerous," Professor Lazic remarks. "When society is poor, a normal capitalist economy is not possible either. In a certain sense, we already resemble the Latin American countries. A typical example is Peru and the Shining Path Movement, which is able to exist because a large segment of society is utterly desperate because of poverty and then supports anything that is against the government."

The speedy stratification is continuing. Those few illusions about socialist justice and equality are turning to dust and ashes. Time (and also the government) are confirming the old popular adage: "The tragedy of war brings good fortune to some."

Macedonia

Serbs Seek Own-Language Radio Broadcasts

LD2011181392 Belgrade TANJUG Domestic Service in Serbo-Croatian 1208 GMT 20 Nov 92

[Excerpt] Skopje, 19 Nov (TANJUG)—The Association of Serbs and Montenegrins in Macedonia has sent the republican authorities a request for a licence for the operation of a radio station broadcasting in the Serbian language for citizens of Serbian and Montenegrin nationality in the region of Skopje, Skopska Crna Gora, and Kumanovo.

In the explanation of the request sent to the Ministry for Town Planning, Construction, Communications and Ecology, it is noted that Serbs and Montenegrins in Macedonia are experiencing an information blockade. There is not a single newspaper or radio or television program in Serbian carrying news about the life and work of Serbs and Montenegrins in Macedonia. [passage omitted]

Kosovo

Rugova Protests Resettlement of Serbian Refugees

AU2111165692 Tirana ATA in English 0938 GMT 21 Nov 92

[ATA report: "Kosova Threatened by a New Serb Colonization"]

[Text] Tirana, November 21 (ATA)—A new big Serb colonization is threatening Kosovo and warnings of this have added to the tension, ATA co-worker from Kosovo Behlul Jashari reports. The decision to be taken next week by the Serb Assembly, which will define the question of an urgent colonization of Kosovo, is added to the warning made several days ago by the Serb authorities that more than 120,000 Serb refugees fleeing from the war stricken areas will settled in Kosovo.

The president of the Republic of Kosovo, Dr. Ibrahim Rugova, speaking of this question at yesterday's conference in Pristina, said that the question of the settlement of the Bosnian and Croatian refugees in Kosovo is being misused. More over, Serbia wants to exploit the UN High Commissioner on Refugees to install in Kosovo an ever greater number of refugees, at a time when some of them have already settled here.

In the talk with the representative of this commissariat, Dr. Rugova said further on, we expressed our opposite opinion, underlining that if this was to be done, then it would be realised in the context of the Serbian and former Yugoslav program for another colonization of Kosovo. If recolonization of Kosovo, which is to the liking of Serbia, is attained with the help of the UN High Commissioner for Refugees, then we shall react in the UN secretary general, the cochairmen of the Geneva conference, and the governments of the European states. We are not against the settlement of refugees for humanitarian reasons, because it is common knowledge where they are settled and how long they stay, he went on.

But the Serbian forecasts are nothing but a misuse of human tragedy. Serbia has much space in its territory for refugees and it is not necessary to bring them in Kosovo, because it would be a reason for further instigation of the armed conflicts here, too, Dr. Ibrahim Rugova said in conclusion.

Serbs Absent from Geneva Talks with Albanians

AU2011185992 Tirana ATA in English 1127 GMT 20 Nov 92

[Text] Tirana, November 20 (ATA)—The delegation of the Republic of Kosovo made up of Dr. Bujar Bukoshi, prime minister, Dr. Ejup Statoci, Dr. Hivzi Islami, and Rexhep Osmani negotiated with the leader of the special group on Kosovo, Mr. Gert Arens in the palace of the UN in Geneva. The Serbian party did not take part in the talks, although it should. Mr. Arens considered the absence of the Serbian delegation as a manoeuvre of the Serbian authorities not to take part in direct talks with the Albanian party with international mediators being present. In the talks with Mr. Arens, the Kosovo delegation asked that the international community adopt urgent measures to open at once the elementary and secondary schools and the University of Pristina.

The delegation of Kosovo met with the two cochairmen of the Geneva conference, Cyrus Vance and David Owen. On this occasion, Mr. Bukoshi briefed the interlocutors on the situation in Kosovo, which keeps worsening because of the violence and pressure of the Serbian power. He underlined that the solution of the Kosovo question should be realised by two stages: the fulfillment of the demands for the creation of normal conditions to review the essential questions, such as the urgent opening of schools in the Albanian language at all levels, the return of workers to their jobs, lifting of violent measures in the Kosovo economy, functioning of the mass media in the Albanian language, and creation of preliminary conditions for the Albanians to lead normal and political life in Kosovo.

The cochairmen of the Geneva conference, Vance and Owen, stressed that the presence of the Albanian delegation of Kosovo in Geneva is the best testimony that it is interested in the solution of questions through peaceful means. International community will be forced to adopt strict measures to make Serbia respect the institutions of the Geneva conference, the two cochairmen said among others in the meeting with the delegation of the Republic of Kosovo.

Vojvodina

Ethnic Hungarian Daily Ceases Publication

LD2211094992 Budapest Kossuth Radio Network in Hungarian 0700 GMT 22 Nov 92

[Text] From tomorrow, MAGYAR SZO, the only Hungarian-language daily in Vojvodina. The Forum Publishing House can no longer finance the paper that has existed since Christmas, 1944. It is also possible that the Serbian opposition papers published by them will also cease. The Vojvodina House of Representatives which at the time nationalized MAGYAR SZO is not competent in the matter any longer, because now the decisions are made in Belgrade.

Editorial Board Dissatisfied

LD2211155092 Belgrade TANJUG Domestic Service in Serbo-Croatian 1354 GMT 22 Nov 92

[Text] Novi Sad, 22 Nov (TANJUG)—The director of the Forum newspaper publishing house, Miklos Maroti, told TANJUG that the real reason for the announcement that MAGYAR SZO will not be published tomorrow is the dissatisfaction of the editorial board, and not—as it was said—a shortage of printing paper.

MAGYAR SZO, the only daily in the Hungarian language in our country, said in today's issue that the paper will not be in circulation tomorrow because all supplies of printing paper have been used up, and there is no money for the purchase of other material necessary for publishing.

"The real reason of the announcement that MAGYAR SZO will not be published tomorrow is a kind of protest

and the dissatisfaction of the editorial board," the director of the Forum house, within which the paper is published, says.

"It is true that the whole company is in an extremely difficult financial situation, and that our bank account was blocked on Friday [20 November] afternoon, but that has no influence on whether the paper will appear on Monday or not," he added.

Maroti says that there is at the moment enough printing paper and material for the normal publishing of MAGYAR SZO in the next few days.

"I am convinced that Forum's bank account will be reopened on Monday in Vojvodina Bank, and that money, as well as everything else necessary for the normal functioning of the editorial board and for publishing the paper, will be provided," Maroti stressed.